

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of Preparation of Financial Statements

#### a) Accounting Convention

The accounts of the Company have been prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles in India unless otherwise stated, the provisions of the Companies Act 2013, the accounting standards issued by the Institute of Chartered Accountants of India/ Companies (Accounting Standard) Rules, 2014 and the Housing Finance Companies (NHB) Directions, 2010 issued by National Housing Bank (NHB) as adopted consistently by the Company, as amended and applicable from time to time.

#### b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statement are prudent and reasonable. The future results (actuals) could differ from these estimates. The difference between the actual results and estimates are recognized in the periods in which the results materialize.

### 2. Revenue Recognition

(a) Income is recognised in accordance with Accounting Standard AS-9 on "Revenue Recognition" issued by the Institute of Chartered Accountants of India except income from Non Performing Assets (NPA) which is recognised as per the prudential norms issued by NHB.

(b) The application fees, front-end-fees, administrative fees and processing fees on loans are recognized when the revenue can be reliably measured regardless of when payment is being made.

### 3. Borrowing Cost

Borrowing costs are interest and other cost incurred by the Company in connection with the borrowing of funds. Interest expenditure on borrowings is recognized on accrual basis. The ancillary cost of raising borrowings is recognized as expenditure in the financial year in which they are incurred. However, the discount/ interest on commercial paper are amortized proportionately over its tenure.

### 4. Provision on Non-Performing Assets

(a) Non-performing assets are identified and categorized into Sub-standard, Doubtful and Loss category based on the guidelines issued by NHB. Provisions for Non-performing assets are made in accordance with the said guidelines.

(b) Additional provisions (over and above the NHB prudential norms) is made in order to establish a balance in the provision for loans that the Corporation's management considers prudent and adequate keeping in view the unforeseen events and happenings such as change in policy of Government and procedural delays in repayments from agencies etc.

### 5. Grants and Subsidies

(a) The Company acts as a channelising agency for disbursement of grants/subsidies under various schemes of the Government and Government Agencies. The Company receives the amount of such grants/subsidies and disburses them to eligible parties in accordance with the schemes of the relevant grants/subsidies. The undisbursed grants/subsidies as at the year-end are shown as a part of Current Liabilities. Where grants/subsidies disbursed exceed the related amount received, such amount receivable from Government/Government Agencies is shown as a part of other Loans and Advances.

(b) Grants received from KfW, a German financing agency, in respect of certain schemes for economically weaker sections/ low-income groups are also dealt with in the manner described at (a) above. Interest earned on loans given under certain specified schemes is shown under "Current Liabilities" and is utilised as per the terms of the agreement with KfW.

### 6. Fixed Assets and Depreciation

#### (i) Tangible Assets

(a) The Company is using cost model for determining the gross carrying amount of fixed assets. Accordingly, fixed assets are shown at historical cost less accumulated depreciation. In case of properties where lease (sub-lease)/conveyance deed is yet to be executed, the cost is increased by an estimated amount of ten percent of cost of acquisition towards stamp duty/ registration charges.

(b) Land/ Buildings are classified into leasehold and freehold. Cost of leasehold land is amortized over the period of lease on straight-line basis.

#### NOTE 1 : (Contd.)

- (c) Flats/ Buildings are capitalized at cost including the stamp duty/registration charges etc. and the total value so arrived at is shown under Flats/Buildings till separate details of cost of land and building is available.
- (d) Payments made for Land/ Buildings/Flats where allotment cum possession is pending are shown under Advance against Capital Purchases.
- (e) Fixed assets received free of cost from Government are recorded at a nominal amount of Rupee one only. Fixed assets acquired out of grants from Government are taken at the acquisition cost to the Company and the related grants are shown separately. Such assets are also depreciated in the normal manner. The depreciation for the year is arrived net of depreciation on grant assets.
- (f) Depreciation is provided over the useful life of the assets as per Schedule-II of Companies Act, 2013, except in the case of Air Conditioners and Coolers wherein useful life has been taken as ten years and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as Residual value.
- (g) On assets costing upto ₹ 5000/ per item which are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- (h) Books purchased during the year are clubbed under Library Books and depreciation thereon is provided @ 100%.

#### (ii) Intangible Assets

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

#### 7. Investments

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

#### 8. Cash and Cash equivalents

Cash and cash Equivalent comprises of cash-in-hand, Revenue stamps in hand, Postal Stamps in hand (including Franking Machine Balance), Cheques/ Drafts/ Pay Orders in hand/ Remittances-in-transit and balances with banks & RBI.

#### 9. Foreign Exchange Transactions

- (a) Foreign exchange transactions are recorded at the rates (RBI reference rate) prevailing on the dates of the respective transactions.
- (b) Monetary Assets and liabilities denominated in foreign currencies are restated at the exchange rate (RBI reference rate) as on the date of Balance Sheet except in respect of transactions where forward rate contract or another financial instrument that is in substance a forward exchange contract (viz. Full Currency Swap/ Principal only Swap, etc.) is taken. The foreign currency liabilities swapped into Indian Rupees are stated at the reference rates fixed in the swap transactions and not translated at the year-end rate.
- (c) Exchange differences resulting from restatement of assets or liabilities or from settlement of transactions are recognised in the Statement of Profit & Loss.
- (d) In respect of forward exchange contracts, other than for trading or speculation purposes, the difference between the forward rate and the rate (RBI reference rate) at the date of transaction is recognized as income or expense over the life of the forward exchange contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the year as per AS-11.

#### 10. Employees Benefits

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

**NOTE 1 : (Contd.)**

- (b) The Corporation's obligation towards sick leave, earned leave, gift on completion of 20/ 25/ 30/ 32 years of service & retirement gift are actuarially determined and provided for as per AS-15 (Revised) Employee Benefits.

**11. Taxation**

- (a) Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to tax authorities in accordance with the Indian Income Tax Act, 1961.
- (b) In respect of disputed income tax/ interest tax/ wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.
- (c) Deferred Tax is recognized, subject to consideration of prudence on timing differences, representing the difference between the taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date as per AS-22.

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

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

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

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

Provisions, Contingent Liabilities are reviewed by the management at each Balance Sheet date.

- (iii) Contingent assets are neither recognised nor disclosed.

**NOTE 2: SHARE CAPITAL**

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Authorised</b> 2,500,000,000 equity shares of ₹ 10/- each (previous year 2,500,000,000 equity shares of ₹ 10/- each)	<b>2,500.00</b>	<b>2,500.00</b>
<b>B</b>	<b>Issued, Subscribed and Paid up</b> 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)	<b>2,001.90</b>	<b>2,001.90</b>
		<b>2,001.90</b>	<b>2,001.90</b>

**Note 2 (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 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
		Number of Shares	Amount (₹ in crore)	Number of Shares	Amount (₹ 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)	<b>2,001,900,000</b>	<b>2,001.90</b>	<b>2,001,900,000</b>	<b>2,001.90</b>

**NOTE 2 : (Contd.)**
**Note 2 (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 2 (c) Shares in the company held by each shareholder holding more than 5 percent shares:**

S.No.	Name of Shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
		No. of shares held	% of Holding	No. of shares held	% of Holding
1	<b>The President of India through :</b>				
	(a) Ministry of Housing and Urban Affairs *	1,382,841,253	69.08	-	0.00
	(b) Ministry of Housing and Urban Poverty Alleviation	-	0.00	1,385,100,000	69.19
	(c) Ministry of Urban Development	-	0.00	201,800,000	10.08
	(d) Ministry of Rural Development	415,000,000	20.73	415,000,000	20.73
	<b>Sub Total 1 (a+b+c+d)</b>	<b>1,797,841,253</b>	<b>89.81</b>	<b>2,001,900,000</b>	<b>100.00</b>
2	<b>Others</b>	<b>204,058,747</b>	<b>10.19</b>	<b>-</b>	<b>0.00</b>
	<b>Total (1+2)</b>	<b>2,001,900,000</b>	<b>100.00</b>	<b>2,001,900,000</b>	<b>100.00</b>

\* Ministry of Housing and Urban Poverty Alleviation and Ministry of Urban Development got merged into Ministry of Housing & Urban Affairs during FY 2017-18.

**Note 3: RESERVES AND SURPLUS**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
A	<b>Capital (KfW) Reserve</b>		
	Balance from previous year	59.96	59.96
	Add: Additions during the year	-	-
	Balance as at the end of the year	<b>59.96</b>	<b>59.96</b>
B	<b>Securities Premium on Bonds</b>		
	Balance from previous year	1.26	1.26
	Add: Additions during the year	-	-
	Balance as at the end of the year	<b>1.26</b>	<b>1.26</b>
C	<b>Debenture/Bond Redemption Reserve</b>		
	Balance from previous year	2,117.54	1,677.71
	Add: Transferred from Surplus in Statement of Profit & Loss	439.84	439.83
	Balance as at the end of the year	<b>2,557.38</b>	<b>2,117.54</b>

Prior to the issuance of circular no. 04/2013 dated 11.02.2013, issued by the Ministry of Corporate Affairs (MCA), the company had to create a Debenture/ Bond Redemption Reserve (DRR / BRR) equivalent to 50% of the value of bonds issued (based on repayment tenure of respective bonds) through public issue, before the commencement of redemption of respective bonds as per the then prevalent SEBI Debt Regulations and section 117 C of the Companies Act, 1956. The creation of DRR / BRR was revised to 25% after issuance of the above mentioned circular.

The company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalent to 50% on yearly basis, before commencement of redemption of respective bonds; and equivalent to 25% on bonds issued during the financial year 2013-14 and 2015-16.

**NOTE 3 : (Contd.)**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>D</b>	<b>General Reserve</b>		
	Balance from previous year	1,185.79	1,014.08
	Add: Transferred from Special Reserve	193.04	171.71
	Less: Transferred to Surplus	95.00	-
	Balance as at the end of the year	<b>1,283.83</b>	<b>1,185.79</b>
<b>E</b>	<b>Special Reserve</b>		
	<b>(i) Created (u/s 36(1) (viii) of the Income Tax Act,1961 and u/s 29C of NHB Act,1987 upto Financial Year 1996-97)</b>		
	Balance from previous year	181.75	181.75
	<b>(ii) Created and Maintained (u/s 36(1) (viii) of the Income Tax Act,1961 and u/s 29C of NHB Act,1987 from Financial Year 1997-98 onwards)</b>		
	Balance from previous year	3,534.84	3,422.05
	Add: Transferred from Surplus in Statement of Profit & Loss	321.64	284.50
	Less: Transferred to Surplus in Statement of Profit & Loss	-	-
	Less: Transferred to General Reserve	193.04	171.71
	Balance as at the end of the year (i+ii)	<b>3,663.44</b>	<b>3,716.59</b>
<b>F</b>	<b>Welfare Reserve</b>		
	Balance from previous year	72.07	68.60
	Add: Transferred from Surplus in Statement of Profit & Loss	-	3.47
	Less: Adjustment during the year	-	-
	Balance as at the end of the year (Refer S.No. 21 of Note 26 - Explanatory Notes)	<b>72.07</b>	<b>72.07</b>
<b>G</b>	<b>Surplus Account</b>		
	<b>(i)</b> Balance from previous year	12.14	18.50
	<b>(ii)</b> Less: Final Dividend for 2016-17	10.01	-
	<b>(iii)</b> Less: Dividend Tax for 2016-17	2.04	-
	<b>(iv)</b> Add: Transfer from General Reserve	95.00	
	<b>(v)</b> Add: Balance from statement of Profit & Loss	799.06	841.81
	<b>Total amount available for appropriation</b>	<b>894.15</b>	<b>860.31</b>
	<b>(vi)</b> Less: Interim Dividend (Refer S.No. 30 of Note 26 - Explanatory Notes)	110.10	100.01
	<b>(vii)</b> Less: Dividend Tax	22.42	20.36
	<b>(viii)</b> Less: Special Reserve	321.64	284.50
	<b>(ix)</b> Less: Debenture/Bond Redemption Reserve	439.84	439.83
	<b>(x)</b> Less: Welfare Reserve	-	3.47
	<b>Balance of Surplus as at the end of the year</b>	<b>0.15</b>	<b>12.14</b>
	<b>Total Reserves and Surplus</b>	<b>7,819.84</b>	<b>7,165.35</b>

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

(₹ in crore)

S.No.	PARTICULARS		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>(A)</b>	<b>SECURED LOANS</b>			
<b>I</b>	<b>SPECIAL PRIORITY SECTOR BONDS</b>	<u>Date of Allotment</u>		
	SPS Bond series C (Bank of India)	10.06.1998	27.35	34.20
	[Refer Details of Long-term Borrowing - (A) I]			
	<b>Sub-Total A - I</b>		<b>27.35</b>	<b>34.20</b>
	The repayment dates for SPS Bonds Series C is semi annual from 10.12.2015 to 10.06.2022.			
	Bonds are secured by lien over Certificate of Deposits for US \$ 6.83 million (Previous year US \$ 8.11 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.			
<b>II</b>	<b>TAX FREE BONDS</b>	<u>Date of Allotment</u>	<u>Date of redemption</u>	
	8.71% Tax free bonds 2013 (Tranche - III) Series - 3A *	24.03.2014	24.03.2034	8.76
	8.96% Tax free bonds 2013 (Tranche - III) Series - 3B *	24.03.2014	24.03.2034	41.54
	8.76% Tax free bonds 2013 (Tranche - II) Series - 3A *	13.01.2014	13.01.2034	286.54
	9.01% Tax free bonds 2013 (Tranche - II) Series - 3B *	13.01.2014	13.01.2034	671.16
	8.49% Tax free bonds 2013 (Tranche - I) Series - 3A *	25.10.2013	25.10.2033	35.51
	8.74% Tax free bonds 2013 (Tranche - I) Series - 3B *	25.10.2013	25.10.2033	88.85
	7.39% Tax free bonds 2015 (Tranche - II) Series - 2A ***	15.03.2016	15.03.2031	1,024.94
	7.69% Tax free bonds 2015 (Tranche - II) Series - 2B ***	15.03.2016	15.03.2031	610.05
	7.39% Tax free bonds 2015 (D) ***	22.02.2016	22.02.2031	211.50
	7.39% Tax free bonds 2015 (Tranche - I) Series - 2A ***	08.02.2016	08.02.2031	909.69
	7.64% Tax free bonds 2015 (Tranche - I) Series - 2B ***	08.02.2016	08.02.2031	556.15
	8.73% Tax free bonds 2013 (Tranche - III) Series - 2A *	24.03.2014	24.03.2029	28.47
	8.98% Tax free bonds 2013 (Tranche - III) Series - 2B *	24.03.2014	24.03.2029	128.42
	8.58% Tax free bonds 2013 (Tranche - II) Series - 2A *	13.01.2014	13.01.2029	127.39
	8.83% Tax free bonds 2013 (Tranche - II) Series - 2B *	13.01.2014	13.01.2029	123.75
	8.51% Tax free bonds 2013 (Tranche - I) Series - 2A *	25.10.2013	25.10.2028	799.27
	8.76% Tax free bonds 2013 (Tranche - I) Series - 2B *	25.10.2013	25.10.2028	815.00
	8.56% Tax free bonds 2013 Series - 1 *	02.09.2013	02.09.2028	190.80
	7.19% Tax free bonds 2012 (Tranche - II) Series - 2 *	28.03.2013	28.03.2028	109.39
	7.51% Tax free bonds 2012 (Tranche - I) Series - 2 *	16.02.2013	16.02.2028	1,274.24
	8.20% Tax free bonds 2011 (Tranche - I) Series - 2 *	05.03.2012	05.03.2027	2,518.30
	8.16% Tax free bonds 2011 (C - II) *	22.12.2011	22.12.2026	47.67
	7.83% Tax free bonds 2011 (B - II) *	11.11.2011	11.11.2026	66.51
	7.75% Tax free bonds 2011 (A - II) *	21.10.2011	21.10.2026	10.81
	7.04% Tax free bonds 2015 (Tranche - II) Series - 1A ***	15.03.2016	15.03.2026	48.16
	7.29% Tax free bonds 2015 (Tranche - II) Series - 1B ***	15.03.2016	15.03.2026	105.35
	7.02% Tax free bonds 2015 (Tranche - I) Series - 1A ***	08.02.2016	08.02.2026	117.21
	7.27% Tax free bonds 2015 (Tranche - I) Series - 1B ***	08.02.2016	08.02.2026	128.45
	7.00% Tax free bonds 2015 (C) **	09.10.2015	09.10.2025	108.50
	7.07% Tax free bonds 2015 (B) **	01.10.2015	01.10.2025	1,029.00
	7.19% Tax free bonds 2015 (A) **	31.07.2015	31.07.2025	151.00
	8.29% Tax free bonds 2013 (Tranche - III) Series - 1A *	24.03.2014	24.03.2024	18.37
	8.54% Tax free bonds 2013 (Tranche - III) Series - 1B *	24.03.2014	24.03.2024	47.36
	8.51% Tax free bonds 2013 (Tranche - II) Series - 1A *	13.01.2014	13.01.2024	504.93
	8.76% Tax free bonds 2013 (Tranche - II) Series - 1B *	13.01.2014	13.01.2024	439.63
	8.14% Tax free bonds 2013 (Tranche - I) Series - 1A *	25.10.2013	25.10.2023	269.58
	8.39% Tax free bonds 2013 (Tranche - I) Series - 1B *	25.10.2013	25.10.2023	361.79
	7.03% Tax free bonds 2012 (Tranche - II) Series - 1 *	28.03.2013	28.03.2023	97.62
	7.34% Tax free bonds 2012 (Tranche - I) Series - 1 *	16.02.2013	16.02.2023	920.10
	8.10% Tax free bonds 2011 (Tranche - I) Series - 1 *	05.03.2012	05.03.2022	2,166.42
	8.09% Tax free bonds 2011 (C - I) *	22.12.2011	22.12.2021	47.86
	7.62% Tax free bonds 2011 (B - I) *	11.11.2011	11.11.2021	137.66
	7.51% Tax free bonds 2011 (A - I) *	21.10.2011	21.10.2021	4.77
	<b>Sub-Total A - II</b>		<b>17,388.47</b>	<b>17,388.47</b>

## NOTE 4 : (Contd.)

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
*	The bonds are secured by a floating first <i>pari-passu</i> 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 <i>pari-passu</i> charge on the present and future receivable for its present and future financial requirements.		
**	The bonds are secured by a first <i>pari-passu</i> charge on present and future receivables of our Company to the extent of the amount mobilized under the Issue. 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 <i>pari-passu</i> 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.		
***	The bonds are secured by a first <i>pari-passu</i> charge on present and future receivables of the company to the extent of the amount mobilized 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 <i>pari-passu</i> 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.		
<b>III</b>	<b>LOANS FROM BANKS</b>		
	Bank of India	41.03	51.22
	[Refer Details of Long-term Borrowing - (A) II]		
	<b>Sub-Total A - III</b>	<b>41.03</b>	<b>51.22</b>
	Secured by lien over Certificate of Deposits for US \$ 10.24 million (Previous year US \$ 12.16 million) placed under swap arrangement with Bank of India, Cayman Islands Branch, New York. The deposits are co-terminus with the maturity schedule of the underlying ADB loans. Repayable from 10.12.2002 to 10.06.2022.		
<b>IV</b>	<b>LOANS FROM FINANCIAL INSTITUTIONS</b>		
	National Housing Bank	2,623.92	2,451.15
	[Refer Details of Long-term Borrowing - (A) III]		
	<b>Sub-Total A - IV</b>	<b>2,623.92</b>	<b>2,451.15</b>
	Secured by Bank guarantee for an amount of ₹ 1,237.50 crore (previous year ₹ 1,112.50 crore) [being 25% of loan amount of ₹ 4,950 crore (previous year ₹ 4,450 crore) sanctioned/dispensed by NHB and repayable upto 01.07.2027] 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.		
	<b>Total Secured Loans A (I+II+III+IV)</b>	<b>20,080.77</b>	<b>19,925.04</b>
<b>(B)</b>	<b>UNSECURED LOANS</b>		
<b>I</b>	<b>BONDS</b>		
	HUDCO Bonds - Non Cumulative redeemable at par		
	Date of Allotment	Date of redemption	
	7.73% Taxable (D) 2017	21.02.2018	15.04.2021
			675.00
	7.68% Taxable (G) 2017	27.03.2018	05.04.2021
			460.00
	7.14% Taxable (B) 2017	22.11.2017	22.12.2020
			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
	7.59% Taxable (G) 2016	21.03.2017	21.06.2020
			565.00
	6.80% Taxable (E) 2016	18.11.2016	18.05.2020
			700.00
	7.21% Taxable (D) 2016	25.10.2016	25.04.2020
			200.00
	7.35% Taxable (C) 2016	22.09.2016	22.01.2020
			600.00
	6.81% Taxable (F) 2016	13.01.2017	13.01.2020
			600.00
	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
	8.14% Taxable (A) 2013	30.05.2013	30.05.2018
			-
			700.00
	<b>Sub-Total B - I</b>	<b>8,020.00</b>	<b>4,065.00</b>

**NOTE 4 : (Contd.)**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
II	<b>Public Deposits @ 6.55% p.a. to 9.35% p.a. [Refer Details of Long-term Borrowing - (B) I]</b> Repayable over a period of two to seven years 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.	194.86	564.01
	<b>Sub-Total B - II</b>	<b>194.86</b>	<b>564.01</b>
III	<b>LOANS IN FOREIGN CURRENCY : [Refer Details of Long-term Borrowing - (B) II]</b> <b>(i) Loans from Japan Bank for International Cooperation (JBIC) *</b> <b>(a)</b> Unswapped Portion of JBIC	105.63	124.00
	<b>Sub-Total B - III - i</b>	<b>105.63</b>	<b>124.00</b>
	* Guaranteed by Central Government as to the repayment of principal and interest.		
	<b>(ii) Loans from Asian Development Bank (ADB) * #</b> <b>(a)</b> 6 months LIBOR for US \$ +0.40% p.a.	148.27	184.77
	<b>Sub-Total B - III - ii</b>	<b>148.27</b>	<b>184.77</b>
	* Guaranteed by Central Government as to the repayment of principal and interest.		
	# HUDCO has received a loan of US \$ 100 million from ADB out of which US \$ 50 million ( received during the years 1997-98 and 1998-99) has been placed as deposit as per arrangement with Bank of India, Cayman Islands Branch, USA. The deposits are co-terminus with the loan maturity schedule of the underlying ADB loans. The balance US \$ 50 million (received during the year 1999-2000) has been swapped with EXIM Bank and under the arrangement EXIM Bank has subscribed to 12.75% Special Priority Sector Bonds (II) ( rate of interest for the next 7 years reset to 12.50% w.e.f. 15.12.2013) for ₹ 217 crore which are co-terminus with the loan maturity schedule of the underlying ADB loans. Repayment of the above ADB Loan and redemption of the corresponding deposit / swap has started w.e.f. 15.12.2002 as per the amortisation schedule(s).		
(iii)	<b>Loans from US Capital Market</b> <b>(Guaranteed by USAID &amp; Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan)</b> <b>(a)</b> 6 months LIBOR for US \$ + 0.18% p.a.(USAID-1) *	22.89	25.07
	* Under the swap arrangement with EXIM Bank, HUDCO has remitted US \$ 10 million to EXIM Bank against which EXIM Bank has subscribed to 12.75% HUDCO Special Infrastructure Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 23.09.2013 ) amounting to ₹ 43.60 crore which are co-terminus with the loan maturity schedule of the underlying USAID guaranteed loan.		
	<b>(b)</b> 6 months LIBOR for US \$ + 0.035% p.a. (USAID-2) (1) Swapped with ICICI Bank * (2) Swapped with State Bank of India ** (3) Unswapped Portion	0.00 20.03 45.53	13.34 20.02 32.42
	<b>Sub-Total B - III - iii</b>	<b>88.45</b>	<b>90.85</b>
	* Full Currency Swap for US \$ 10 million executed with ICICI Bank Ltd. on 26.10.2010 effective from 28.10.2010 (for 7 years upto 28.10.2017) in respect of USAID-2 loan at spot rate of ₹ 44.46 and swap premium of 6.18% payable semi-annually.		
	** Full Currency Swap for US \$ 5 million executed with State Bank of India on 19.07.2011 (for 7 years upto 19.07.2018) in respect of USAID-2 loan at spot rate of ₹ 44.50 and swap premium of 6.2025% payable semi-annually.		
	<b>Sub-Total B - III</b>	<b>342.35</b>	<b>399.62</b>
	<b>Total Unsecured Loans B (I+II+III)</b>	<b>8,557.21</b>	<b>5,028.63</b>
	<b>Total Long Term Borrowings (A + B)</b>	<b>28,637.98</b>	<b>24,953.67</b>



**NOTE 4 : (Contd.)**

**Details of Long-term Borrowing**

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

S.No.	Date of drawal /Institution	Rate on drawal	No of Bonds to be redeemed	Amount of Bonds to be redeemed	Rate of Interest as on 31.03.2018	Frequency of interest repayment	Redemption Details
<b>(A)</b>	<b>Secured Loans</b>						
<b>I</b>	<b>Special Priority Sector Bonds</b>						
	SPS Bonds Series C (Bank of India)	12.00%	84	4.20	@ 1 year G.Sec. + 350 bps p.a.	Semi-Annual	10 <sup>th</sup> June, 2022
	SPS Bonds Series C (Bank of India)	12.00%	84	4.20	350 bps p.a.	Semi-Annual	10 <sup>th</sup> December, 2021
	SPS Bonds Series C (Bank of India)	12.00%	80	4.00	Currently the ROI is	Semi-Annual	10 <sup>th</sup> June, 2021
	SPS Bonds Series C (Bank of India)	12.00%	80	4.00	9.86 % p.a.	Semi-Annual	10 <sup>th</sup> December, 2020
	SPS Bonds Series C (Bank of India)	12.00%	74	3.70		Semi-Annual	10 <sup>th</sup> June, 2020
	SPS Bonds Series C (Bank of India)	12.00%	74	3.70		Semi-Annual	10 <sup>th</sup> December, 2019
	SPS Bonds Series C (Bank of India)	12.00%	71	3.55		Semi-Annual	10 <sup>th</sup> June, 2019
	<b>Total Special Priority Sector Bonds</b>			<b>27.35</b>			
S.No.	Date of drawal /Institution	Rate on drawal	Amount Drawn	Amount Outstanding	Rate of Interest as on 31.03.2018	Frequency of repayment	Redemption Details
<b>II</b>	<b>Bank of India</b>						
	-15.02.1999	12.50%	150.00	41.03	@ 1 years G-Sec + 350bps p.a. Currently the ROI is 9.86% p.a	Semi-Annual	10 <sup>th</sup> Jun. and 10 <sup>th</sup> Dec.
<b>III</b>	<b>National Housing Bank</b>						
	- 12.12.2011	6.25%	250.00	0.00	6.25%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 25.04.2012	6.25%	250.00	3.00	6.25%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 30.10.2012	6.75%	250.00	27.76	6.75%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 09.04.2013	6.75%	500.00	92.59	6.75%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 02.06.2014	6.85%	555.00	184.92	6.85%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 03.06.2014	7.10%	195.00	64.86	7.10%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 26.12.2014	7.35%	500.00	294.72	7.35%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 08.01.2015	7.35%	229.00	140.80	7.35%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 15.01.2015	7.35%	221.00	135.95	7.35%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 22.03.2017	5.11%	1,000.00	820.45	5.11%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 30.06.2017	4.86%	500.00	423.02	4.86%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	- 31.08.2017	4.86%	500.00	435.85	4.86%	Quarterly	1 <sup>st</sup> - Apr.,Jul.,Oct. & Jan.
	<b>Total National Housing Bank</b>			<b>2,623.92</b>			
<b>(B)</b>	<b>Unsecured Loans</b>						
<b>I</b>	<b>Public Deposits</b>						
	April 2019 - March, 2020			61.82		Repayable over a period of two to seven years	
	April, 2020 - March, 2021			128.88			
	April, 2021 - March, 2022			1.63			
	April, 2022 - March, 2023			1.70			
	April, 2023 - March, 2024			0.80			
	April, 2024 - March, 2025			0.03			
	<b>Total Public Deposits</b>			<b>194.86</b>			

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

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

S.No.	Date of drawal / Institution	Currency of drawal	Amount Drawn	Amount Outstanding	Rate of Interest as on 31.03.2018	Frequency of repayment	Redemption Details
<b>II</b>	<b>LOANS IN FOREIGN CURRENCY :</b>						
<b>i</b>	<b>Loans from JBIC</b>						
	- 28.03.1997	JPY	1,157.16				
	- 27.03.1998	JPY	406.00				
	- 31.03.1999	JPY	944.65				
	- 22.06.1999	JPY	1,159.92				
	- 16.11.1999	JPY	241.34				
	- 17.03.2000	JPY	3,613.47				
	- 06.10.2000	JPY	67.60				
	- 10.11.2000	JPY	176.27				
	- 15.12.2000	JPY	295.15				
	- 30.03.2001	JPY	257.05				
	Unswapped JBIC outstanding Loan out of above	JPY	1,716.38	105.63	2.10% p.a. (fixed)	Semi-Annual	Repayable from 20.07.2019 to 20.07.2023
	<b>Total JBIC</b>			<b>105.63</b>			
<b>ii</b>	<b>Loan from Asian Development Bank</b>						
	- 31.12.1997	US \$	20.00		@ 6M LIBOR for US \$ + 0.40% p.a. Currently the ROI is		Repayable from 15.06.2019 to 15.06.2022
	- 13.11.1998	US \$	30.00		2.15575% p.a.	Semi-Annual	
	Swapped US \$ outstanding Loan out of above with Bank of India	US \$	13.68	88.96			
	- 06.12.1999	US \$	50.00				
	Swapped US \$ outstanding Loan out of above with Exim Bank	US \$	13.68	59.31	12.50% p.a	Semi-Annual	
	<b>Total Asian Development Bank</b>			<b>148.27</b>			
<b>iii</b>	<b>Loan from US Capital Market</b>						
<b>(a)</b>	<b>USAID-1</b>						
	-24.09.1999	US \$	10.00				Repayable from 23.09.2019 to 23.06.2029
	Swapped US \$ outstanding Loan out of above with Exim Bank	US \$	5.25	22.89	12.50% p.a	Semi-Annual	
<b>(b)</b>	<b>USAID-2</b>						
	- 28.09.2000	US \$	20.00				Repayable from 15.09.2019 to 15.09.2030
	Swapped US \$ outstanding Loan out of above with State Bank of India	US \$	4.50	20.03	Swap premium @ 6.2025% p.a	Semi-Annual	
	Unswapped US \$ outstanding Loan out of above				@ 6M LIBOR for US \$ + 0.035% p.a. Currently the ROI is		
		US \$	7.00	45.53	2.33925% p.a.		
	<b>Total USAID</b>			<b>88.45</b>			
	<b>Total Foreign Currency Loans</b>			<b>342.35</b>			

**NOTE 5: DEFERRED TAX LIABILITIES**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Deferred Tax Liabilities</b>		
(i)	Depreciation	5.34	5.17
(ii)	Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 and 29 C of NHB Act, 1987	1,280.80	1,223.41
	<b>Sub Total (A)</b>	<b>1,286.14</b>	<b>1,228.58</b>
<b>B</b>	<b>Deferred Tax Assets</b>		
(i)	Provision on investment	1.48	1.08
(ii)	Provision for Debtors	5.69	5.64
(iii)	Provision on Loans	941.00	735.90
(iv)	Provision for staff loans	0.03	0.03
(v)	Provision on advances	0.77	0.22
(vi)	Provision for leave encashment	10.65	10.30
(vii)	Provision for post retirement medical benefit	47.21	45.17
(viii)	Provision for Welfare Expenses	0.62	0.40
(ix)	Provision for LTC	0.00	2.46
(x)	Provision for Pay Revision as per 3 <sup>rd</sup> Pay Committee	0.00	1.04
(xi)	Disallowance of interest under section 43B of Income Tax Act, 1961	2.60	1.08
	<b>Sub Total (B)</b>	<b>1,010.05</b>	<b>803.32</b>
<b>C</b>	<b>Net Deferred Tax Liabilities (A) - (B)</b>	<b>276.09</b>	<b>425.26</b>

**NOTE 6: OTHER LONG TERM LIABILITIES**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Others</b>		
(i)	Security and other deposits	8.44	8.72
	<b>Sub Total - A</b>	<b>8.44</b>	<b>8.72</b>
<b>B</b>	<b>Interest accrued but not due</b>		
(i)	Unsecured Loans	22.26	27.87
	<b>Total (A+B)</b>	<b>30.70</b>	<b>36.59</b>

**NOTE 7: LONG TERM PROVISIONS**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Provision for employees benefit</b>		
(i)	Leave encashment	27.79	27.86
(ii)	Post retirement medical benefit	132.29	127.61
(iii)	Welfare expenses (Refer S.No. 19 (c) of Note 26 - Explanatory Notes)	1.52	1.06
	<b>Sub Total A- (i+ii+iii)</b>	<b>161.60</b>	<b>156.53</b>
<b>B</b>	<b>Others</b>		
(i)	Contingent Provisions for Standard Assets as per NHB norms (Refer S.No. 4 (b) & 37 (a) of Note 26 - Explanatory Notes)	214.39	153.25
(ii)	Contingent Provision on Unquoted Bonds - Standard Assets as per NHB norms (Refer S.No. 37 (b) of Note 26 - Explanatory Notes)	1.08	-
	<b>Sub Total B - (i+ii)</b>	<b>215.47</b>	<b>153.25</b>
	<b>Total (A+B)</b>	<b>377.07</b>	<b>309.78</b>
	Refer S. No. 20 of Note 26 - Explanatory Notes for details of Short term and Long term provisions.		

**NOTE 8: SHORT TERM BORROWINGS**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Unsecured Loan</b>		
<b>1</b>	<b>Commercial Paper</b>		
	6.34% HUDCO Commercial Paper Bonds 2016 Series- H (Value Date : 27.03.2017 and Maturity Date 26.05.2017 for 60 days)	-	1,000.00
	6.42% HUDCO Commercial Paper Bonds 2016 Series- I (Value Date : 30.03.2017 and Maturity Date 29.05.2017 for 60 days)	-	500.00
	6.68% HUDCO Commercial Paper Bonds 2017 Series- F (Value Date : 17.11.2017 and Maturity Date 16.05.2018 for 180 days)	800.00	-
	6.78% HUDCO Commercial Paper Bonds 2017 Series- G (Value Date : 07.12.2017 and Maturity Date 31.05.2018 for 175 days)	1,000.00	-
	7.10% HUDCO Commercial Paper Bonds 2017 Series- H (Value Date : 16.01.2018 and Maturity Date 16.04.2018 for 90 days)	700.00	-
<b>2</b>	<b>Term Loan from Banks</b>		
(i)	<b>CTBC Bank Co. Ltd.</b>		
	@7.70% p.a. repayable on or before 13.04.2017 by way of bullet repayment	-	40.00
(ii)	<b>Sumitomo Mitsui Banking Corporation</b>		
	@7.84% p.a. repayable on or before 03.04.2018 by way of bullet repayment	50.00	100.00
	@7.74% p.a. repayable on or before 13.04.2017 by way of bullet repayment	-	100.00
(iii)	<b>Canara Bank</b>		
	@8.00% p.a. repayable on or before 25.04.2018 & 26.04.2018 by way of bullet repayment	198.29	-
(iv)	<b>Allahabad Bank</b>		
	@7.85% p.a. repayable on or before 27.04.2018 by way of bullet repayment	300.00	-
(v)	<b>ICICI Bank</b>		
	@7.90% p.a. repayable on or before 12.04.2018 by way of bullet repayment	500.00	-
(vi)	<b>Bank of Baroda</b>		
	@7.95% p.a. repayable on or before 25.04.2018 by way of bullet repayment	99.98	-
(vii)	<b>Punjab National Bank- FCL</b>		
	Availed in INR equivalent to US \$ 78.08 million through USD denominated Foreign currency loan on 28.12.2017 at an annualized cost of 6.90% (inclusive of forward premium) repayable on 26.06.2018 by way of bullet repayment	500.00	-
	Availed in INR equivalent to US \$ 149.10 million through USD denominated Foreign currency loan on 02.02.2018 at an annualized cost of 7.48% (inclusive of forward premium) repayable on 01.08.2018 by way of bullet repayment	950.00	-
	Availed in INR equivalent to US \$ 7.85 million through USD denominated Foreign currency loan on 06.02.2018 at an annualized cost of 7.48% (inclusive of forward premium) repayable on 06.08.2018 by way of bullet repayment	50.00	-
(viii)	<b>Axis Bank - FCTL/FCDL * \$</b>	269.98	-
	* Availed in INR equivalent to US \$ 42 million through USD denominated FCTL on 15.02.2018.		
	\$ Currency (PoS) and Interest rate swap (IRS) for US\$ 42 million executed with Axis Bank on 12.02.2018 effective from 15.02.2018 (upto 14.02.2019) with swap premium @ 6.54% p.a. (fixed) (IRS @ 3.95% p.a. payable on monthly basis and Option premium @ 2.59% i.r.o Principle hedge payable upfront at the time of availment).		
	<b>Total</b>	<b>5,418.25</b>	<b>1,740.00</b>

**NOTE 9: TRADE PAYABLE**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Expenses Payable</b>		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises	0.35	0.21
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises (Refer S.No. 26 of Note 26 - Explanatory Notes)	11.88	8.63
	<b>Total</b>	<b>12.23</b>	<b>8.84</b>

## NOTE 10: OTHER CURRENT LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>(A)</b>	<b>CURRENT MATURITIES OF LONG TERM DEBT</b>		
<b>I</b>	<b>SECURED LOANS</b>		
(i)	Special Priority Sector Bonds series C (Bank of India) [Details of Current Maturity of long term debt- (A) I (i)]	6.85	6.30
(ii)	Loan from Bank (Bank of India) [Details of Current Maturity of long term debt- (A) I (ii)]	10.19	9.58
(iii)	National Housing Bank [Details of Current Maturity of long term debt- (A) I (iii)]	585.04	546.82
	<b>Sub Total A - I (i+ii+iii)</b>	<b>602.08</b>	<b>562.70</b>
<b>II</b>	<b>UNSECURED LOANS</b>		
(i)	<b>BONDS- HUDCO Bonds Non Cumulative redeemable at par</b>		
	8.14% Taxable (A) 2013 Repayable on 30.05.2018	700.00	-
	7.84% Taxable (A) 2016 Repayable on 30.09.2017	-	500.00
	<b>Sub Total A - II - (i)</b>	<b>700.00</b>	<b>500.00</b>
(ii)	<b>Public Deposits @ 6.55% p.a. to 9.35% p.a. Repayable with in one year [Details of Current Maturity of long term debt- (A) II (i)]</b>		
	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.	431.73	360.42
	<b>Sub Total A - II - (ii)</b>	<b>431.73</b>	<b>360.42</b>
(iii)	<b>LOAN FROM VARIOUS BANKS [Details of Current Maturity of long term debt- (A) II (ii)]</b>		
(a)	<b>6.23% p.a. from Axis Bank (FCTL) * \$</b>	165.09	-
	* Availed in INR equivalent to US \$ 25.75 million through USD denominated FCTL \$ Currency (PoS) and Interest rate swap (IRS) for US\$ 25.75 million executed with AXIS Bank on 27.12.2017 effective from 28.12.2017 (upto 28.12.2018) with swap premium @ 6.23% p.a. (fixed) (IRS @ 3.75% p.a. payable on monthly basis and Option premium @ 2.48% i.r.o Principle hedge payable upfront at the time of availment).		
(b)	<b>6.23% p.a. from ICICI Bank (FCNR(B)) ** @</b>	165.08	-
	** Availed in INR equivalent to US \$ 25.75 million through USD denominated FCNR(B) Loan @ Currency (PoS) and Interest rate swap (IRS) for US\$ 25.75 million executed with ICICI Bank on 27.12.2017 effective from 28.12.2017 (upto 28.12.2018) with swap premium @ 6.23% p.a. (fixed) (IRS @ 3.75% p.a. payable on monthly basis and Option premium @ 2.48% i.r.o Principle hedge payable upfront at the time of availment).		
	<b>Sub Total A - II - (iii)</b>	<b>330.17</b>	<b>-</b>
(iv)	<b>LOANS IN FOREIGN CURRENCY : [Details of Current Maturity of long term debt- (A) II (iii) ]</b>		
(a)	<b>Loan from JBIC</b>		
	- Swapped with Yes Bank (Tranche-II) *	-	24.43
	- Unswapped portion of JBIC	26.03	-
	<b>Sub Total A - II - (iv) (a)</b>	<b>26.03</b>	<b>24.43</b>
	* Principal only swap (PoS) amounting to JPY 845.852 million executed with Yes Bank Ltd. on 15.05.2013 (effective from 17.05.2013) for a period upto 20.01.2018, at spot rate of ₹ 0.5776 and PoS premium of 4.40% p.a. payable semi annually.		
(b)	<b>Loan from Asian Development Bank</b>		
	6 months LIBOR for US \$ +0.40% p.a.	36.85	34.58
	<b>Sub Total A - II - (iv) (b)</b>	<b>36.85</b>	<b>34.58</b>
(c)	<b>Loan from US Capital Market (Guaranteed by USAID &amp; Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan)</b>		
(1)	6 months LIBOR for US \$ + 0.18% p.a.(USAID-1)	2.18	2.18
(2)	6 months LIBOR for US \$ + 0.035% p.a. (USAID-2)		
	- Swapped with ICICI Bank	-	2.22
	- Swapped with SBI Bank	-	2.23
	- Unswapped portion of USAID-2	6.50	-
	<b>Sub Total A - II - (iv) (c)</b>	<b>8.68</b>	<b>6.63</b>
	<b>Sub Total A - II - (iv) (a+b+c)</b>	<b>71.56</b>	<b>65.64</b>
	<b>Sub Total A - II (i+ii+iii+iv)</b>	<b>1,533.46</b>	<b>926.06</b>
	<b>Total Current maturities of LongTerm Debt - A (I+II)</b>	<b>2,135.54</b>	<b>1,488.76</b>

**NOTE 10 : (Contd.)**

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>(B)</b>	<b>Interest accrued but not due</b>		
(i)	Secured Loans	359.85	352.26
(ii)	Unsecured Loans	260.42	224.78
	<b>Sub Total B (i+ii)</b>	<b>620.27</b>	<b>577.04</b>
<b>(C)</b>	<b>Other Current Liabilities</b>		
1)	Bank book overdraft in current account [see footnote (B) 1]	1,216.25	250.00
2)	Sundry Creditors *	0.20	0.21
3)	Security, Earnest money and other deposits	3.27	2.89
4)	Amount received in advance	3.86	5.19
5)	Unclaimed Liability towards: [see footnote (B) 2]		
i)	Dividend		0.01
ii)	Bonds	2.20	1.20
iii)	Public Deposits	1.27	1.21
iv)	Interest accrued and due on Debenture	0.01	0.01
v)	Interest accrued and due on Bonds	4.78	5.11
vi)	Interest accrued and due on Public Deposits	0.35	0.16
		8.62	
6)	KfW R & D account	43.10	44.94
7)	KfW Interest account	9.87	9.87
8)	Amount received from KfW		97.55
	Less: KfW Releases		-
		97.55	
9)	Grant / Subsidy received from different Ministries/Agencies	4.49	4.41
10)	Amt payable to Ministry - BCP	1.16	1.13
11)	Amount Payable to Staff	30.44	21.54
12)	Other Expenses on Borrowing Payable	12.74	0.00
13)	Other Liabilities **	132.54	120.69
	<b>Sub Total - C (1+2+3+4+5+6+7+8+9+10+11+12)</b>	<b>1,564.09</b>	<b>566.11</b>
	<b>Total (A+B+C)</b>	<b>4,319.90</b>	<b>2,631.91</b>

\* Includes ₹ 0.04 crore (Previous year ₹ 0.04 crore) on account of Andrews Ganj Project [Refer S.No. 2(b) of Note 26 - Explanatory Notes].

\*\* Includes ₹ 0.03 crore (Previous year ₹ 0.03 crore) on account of Andrews Ganj Project [Refer S.No. 2(b) of Note 26 - Explanatory Notes]

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

S.No.	Date of drawal / Institution	Amount Outstanding (₹ in crore)	Rate of Interest as on 31.03.2018	Redemption Details
<b>I</b>	<b>Secured Loans</b>			
(i)	<b>Special Priority Sector Bonds</b>		@ 1 year G.Sec. + 350 bps p.a. Currently the ROI is 9.86% p.a.	
	SPS Bond Series C (Bank of India)	3.30		10.06.2018
	SPS Bond Series C (Bank of India)	3.55		10.12.2018
	<b>Total Special Priority Sector Bonds</b>	<b>6.85</b>		
(ii)	<b>Loan from Bank of India</b>		@ 1 year G.Sec. + 350 bps p.a. Currently the ROI is 9.86% p.a.	
	-15.02.1999	5.02		10.06.2018
	-15.02.1999	5.17		10.12.2018
	<b>Total Bank of India</b>	<b>10.19</b>		

**NOTE 10 : (Contd.)**

Date of drawal / Institution	Amount Outstanding (₹ in crore)	Rate of Interest as on 31.03.2018	Redemption Details
<b>National Housing Bank</b>			
- 31.08.2017	51.32	4.86%	01.04.2018, 01.07.2018, 01.10.2018 and 01.01.2019
- 30.06.2017	51.32	4.86%	
- 22.03.2017	102.60	5.11%	
- 15.01.2015	22.68	7.35%	
- 08.01.2015	23.52	7.35%	
- 26.12.2014	51.32	7.35%	
- 03.06.2014	28.92	7.10%	
- 02.06.2014	82.25	6.85%	
- 09.04.2013	74.07	6.75%	
- 30.10.2012	37.04	6.75%	
- 25.04.2012	38.00	6.25%	
- 12.12.2011	22.00	6.25%	
<b>Total National Housing Bank</b>	<b>585.04</b>		
<b>Unsecured Loans</b>			
<b>Public Deposits</b>			
April, 2018	23.51		Repayable within one year
May, 2018	32.54		
June, 2018	13.15		
July, 2018	59.14		
August, 2018	30.76		
September, 2018	55.79		
Oct., 2018 to March, 2019	216.84		
<b>Total Public Deposits II (i)</b>	<b>431.73</b>		

S.No.	Date of drawal / Institution	Currency of drawal	Amount Outstanding (in foreign Currency amounts in Millions)	Amount Outstanding in INR ₹ in crore	Rate of Interest as on 31.03.2018	Redemption Details
(ii)	<b>LOAN FROM VARIOUS BANKS</b>					
	Axis Bank - 28.12.2017	US \$	25.75	165.09	6.23% (Fixed) (3.75% p.a. i.r.o of IRS and Option premium @ 2.48% i.r.o Principle hedge)	28.12.2018
	ICICI Bank - 28.12.2017	US \$	25.75	165.08	6.23% (Fixed) (3.75% p.a. i.r.o of IRS and Option premium @ 2.48% i.r.o Principle hedge)	28.12.2018
	<b>Total II (ii)</b>			<b>330.17</b>		
(iii)	<b>Loans in Foreign Currency:</b>					
(a)	<b>Loan from JBIC</b>					
	Unswapped Portion	JPY	422.93	26.03	2.10 % p.a. (fixed) semi-annual	20.07.2018 and 20.01.2019
(b)	<b>Loan from Asian Development Bank</b>					
	Swapped with Bank of India	US \$	3.40	22.10	@ 6M LIBOR for US \$ + 0.40% p.a. Currently the ROI is 2.15575% p.a.	15.06.2018 and 15.12.2018
	Swapped with Exim Bank	US \$	3.40	14.75	12.50% p.a.	
	<b>Total II (iii) (b)</b>			<b>36.85</b>		

**NOTE 10 : (Contd.)**

S.No.	Date of drawal / Institution	Currency of drawal	Amount Outstanding (in foreign Currency amounts in Millions)	Amount Outstanding in INR ₹ in crore	Rate of Interest as on 31.03.2018	Redemption Details
(c)	<b>Loan from US Capital Market USAID-1</b> Swapped with Exim Bank	US \$	0.25	2.18	12.50% p.a.	23.09.2018 and 23.03.2019
	<b>USAID-2</b> Unswapped Portion	US \$	1.00	6.50	@ 6M LIBOR for US \$ + 0.035% p.a. Currently the ROI is 2.33925% p.a.	15.09.2018 and 15.03.2019
<b>Total II (iii) (c)</b>				<b>8.68</b>		
<b>Total Foreign Currency Loans II (iii)</b>				<b>71.56</b>		
<b>(B) Footnotes: (₹ in crore)</b>						
<b>1</b>	<b>Name of the Banks</b>				<b>As at 31<sup>st</sup> March, 2018</b>	<b>As at 31<sup>st</sup> March, 2017</b>
	State Bank of India				-	165.00
	Bank of India				892.76	-
	UCO Bank				223.49	-
	Jammu & Kashmir Bank				100.00	85.00
	<b>Total</b>				<b>1,216.25</b>	<b>250.00</b>
<b>2</b>	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 Debentures/ Bonds/ PDS aggregating to ₹ 8.62 crore (Previous Year ₹ 7.68 crore) were due and unclaimed as on 31.03.2018. During the year 2017-18, an amount of ₹ 0.01 crore (previous year ₹ 0.03 crore) has been transferred to IEPF after completion of statutory period of seven years. {Refer S.No. 25 of Note 26 - Explanatory Notes}					

**NOTE 11: SHORT TERM PROVISIONS**

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Provision for employees benefit</b>		
(i)	Leave encashment	2.68	1.89
(ii)	Post retirement medical benefit	2.81	2.91
(iii)	Welfare expenses	0.24	0.11
(iv)	Leave travel concession	-	7.10
	(Refer S.No. 19 of Note 26 - Explanatory Notes)		
	<b>Sub-Total A-(i+ii+iii+iv)</b>	<b>5.73</b>	<b>12.01</b>
<b>B</b>	<b>Others</b>		
(i)	Provision for Income Tax	-	392.80
(ii)	Less: Advance Income Tax ( Including TDS)	-	381.69
(iii)	Net Provision for Income Tax (i-ii)	-	-
	<b>Sub-Total B-(iii)</b>	<b>-</b>	<b>11.11</b>
<b>C</b>	<b>Provisions on Loans</b>		
(i)	Contingent Provisions for Standard Assets as per NHB norms (Refer S.No. 4 (b) & 37 (a) of Note 26 - Explanatory Notes)	25.64	20.31
	<b>Sub-Total C (i)</b>	<b>25.64</b>	<b>20.31</b>
<b>D</b>	<b>Corporate Social Responsibilities (CSR)</b>		
	Opening Balance	5.42	6.82
(i)	Add: Adjustment during the year	-	-
(ii)	Add: Provision for the year	-	-
(iii)	Less: Expenditure Incurred during the year	0.60	1.40
	(Refer S.No. 42 (a) of Note 26 - Explanatory Notes)		
	<b>Total</b>	<b>4.82</b>	<b>5.42</b>
	<b>Total</b>	<b>36.19</b>	<b>48.85</b>
Refer S. No. 20 of Note 26 - Explanatory Notes for details of Short term and Long term provisions.			



## NOTE 12: FIXED ASSETS

(₹ in crore)

S. No.	ITEMS	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK			
		Cost as at 1 <sup>st</sup> April, 2017	Addition during the year	Adjustments Addition Deduction	Total Cost as at 31 <sup>st</sup> March, 2018	As at 1 <sup>st</sup> April, 2017	For the year	Adjustments Addition Deduction	Total as at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>TANGIBLE</b>										
(i)	Land (Freehold)	5.93	-	-	5.93	-	-	-	-	5.93	5.93
(ii)	Land (Leasehold) * #	10.86	-	-	10.86	1.88	0.12	-	2.00	8.86	8.98
(iii)	Building (Freehold)	14.62	-	-	14.62	8.20	0.31	-	8.51	6.11	6.42
(iv)	Building (Leasehold) #	84.08	-	0.07	84.01	45.58	1.81	0.04	47.35	36.66	38.50
(v)	Flat (Freehold) #	12.82	-	-	12.82	8.24	0.22	-	8.46	4.36	4.58
(vi)	Flat (Leasehold) #	5.37	-	-	5.37	3.46	0.09	-	3.55	1.82	1.91
(vii)	Air conditioner and Cooler	2.45	0.15	-	2.55	1.70	0.20	0.05	1.85	0.70	0.75
(viii)	Office Equipments	22.50	2.55	0.12	23.10	18.45	2.27	0.01	18.75	4.35	4.05
(ix)	Furniture and Fixtures	5.11	0.21	-	5.24	4.41	0.17	-	4.50	0.74	0.70
(x)	Vehicle	2.02	-	0.19	1.83	1.77	0.07	-	1.66	0.17	0.25
(xi)	Library Books	0.98	0.02	-	1.00	0.98	0.02	-	1.00	-	-
(xii)	Miscellaneous Assets	3.82	0.03	-	3.81	3.82	0.03	-	3.81	0.00	-
	<b>Total A</b>	<b>170.56</b>	<b>2.96</b>	<b>0.12</b>	<b>171.14</b>	<b>98.49</b>	<b>5.31</b>	<b>0.01</b>	<b>2.37</b>	<b>69.70</b>	<b>72.07</b>
<b>B</b>	<b>INTANGIBLE</b>										
(i)	Software	1.72	0.65	-	2.36	1.69	0.12	-	1.80	0.56	0.03
	<b>Total A+B</b>	<b>172.28</b>	<b>3.61</b>	<b>0.12</b>	<b>173.50</b>	<b>100.18</b>	<b>5.43</b>	<b>0.01</b>	<b>2.38</b>	<b>70.26</b>	<b>72.10</b>
<b>C</b>	<b>Less : Grants</b>										
(i)	Air Conditioner	-	-	-	-	-	-	-	-	-	-
(ii)	Office Equipment	0.07	-	-	0.07	0.06	-	-	0.06	0.01	0.01
(iii)	Furniture and Fixtures	-	-	-	-	-	-	-	-	-	-
(iv)	Library Books	-	-	-	-	-	-	-	-	-	-
(v)	Miscellaneous Assets	0.01	-	-	0.01	0.01	-	-	0.01	-	-
	<b>Total C</b>	<b>0.08</b>	<b>-</b>	<b>-</b>	<b>0.08</b>	<b>0.07</b>	<b>-</b>	<b>-</b>	<b>0.07</b>	<b>0.01</b>	<b>0.01</b>
	<b>Total A+B-C</b>	<b>172.20</b>	<b>3.61</b>	<b>0.12</b>	<b>173.42</b>	<b>100.11</b>	<b>5.43</b>	<b>0.01</b>	<b>2.38</b>	<b>70.25</b>	<b>72.09</b>
<b>D</b>	<b>Capital Work-In-Progress</b>	<b>31.82</b>	<b>3.34</b>	<b>-</b>	<b>35.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35.09</b>	<b>31.82</b>
	<b>As at 31<sup>st</sup> March, 2018</b>	<b>204.02</b>	<b>6.95</b>	<b>0.12</b>	<b>208.51</b>	<b>100.11</b>	<b>5.43</b>	<b>0.01</b>	<b>2.38</b>	<b>103.17</b>	<b>103.91</b>
	<b>As at 31<sup>st</sup> March, 2017</b>	<b>197.50</b>	<b>9.54</b>	<b>2.66</b>	<b>204.02</b>	<b>96.61</b>	<b>4.68</b>	<b>1.66</b>	<b>100.11</b>	<b>103.91</b>	
*	Includes land of ₹ 0.37 crore on perpetual lease (Previous year ₹ 0.37 crore) hence no depreciation has been provided.										
#	The lease (sub-lease) / conveyance deeds in respect of certain properties (Land, Building and Flat) of the value of ₹ 40.50 crore (Area 17239.56 Sq. Mt.) (previous year ₹ 40.50 crore - Area 17239.56 Sq. Mt.) are yet to be executed.										

**NOTE 13: NON CURRENT INVESTMENTS**

(₹ in crore)

S.No.	PARTICULARS		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Equity Shares (Long Term) (Trade Investment)</b>	49.52		49.52
	Less : Provision [Refer S.No. 23 & 37 (b) of Note 26 - Explanatory Notes]	3.00		3.00
			46.52	
<b>B</b>	<b>Equity Shares (Long Term) - Joint Venture</b>	2.14		2.13
	Less : Provision [Refer S.No. 37 (b) of Note 26 - Explanatory Notes]	0.14		0.13
			2.00	
<b>C</b>	<b>Infrastructure Debt Fund (Long Term)</b>		50.00	50.00
<b>D</b>	<b>Bonds</b>		270.00	270.00
	<b>Total (A+B+C+D)</b>		<b>368.52</b>	<b>368.52</b>

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

I	Aggregate of quoted investments:				
(i)	Cost		52.60		52.60
(ii)	Market Value *		84.54		76.53
II	Aggregate of unquoted investments:				
(i)	Cost		319.06		319.05
(₹ in crore)					
S.No.	PARTICULARS	Number Shares/Units/ Bonds	Face Value (₹ )	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Quoted Investments</b>				
(1)	<b>Equity Shares</b>				
(i)	Indbank Housing Limited [Refer S.No. 40 of Note 26 - Explanatory Notes]	2,500,000	10	2.50	2.50
(ii)	Sri KPR Industries Limited	100,000	10	0.10	0.10
	<b>Sub-Total A(1)</b>			<b>2.60</b>	<b>2.60</b>
(2)	<b>Infrastructure Debt Fund</b>				
(i)	IIFCL Assets Management Company Limited (IAMCL)**	500.00	1,000,000	50.00	50.00
	<b>Sub-Total A(2)</b>			<b>50.00</b>	<b>50.00</b>
	<b>Total Quoted Investments A (1 + 2)</b>			<b>52.60</b>	<b>52.60</b>
<b>B</b>	<b>Unquoted Investments</b>				
(1)	<b>Equity Share</b>				
(i)	TN Urban Finance Infrastructure Dev. Corporation. Ltd.	20,000	100	0.20	0.20
(ii)	Cent Bank Home Finance Ltd.	17,00,000	10	1.70	1.70
(iii)	Intra Consolid (India) Limited	1,00,000	10	0.10	0.10
(iv)	Nagarjuna Ceramics Ltd. ***	1,00,000	10	0.10	0.10
(v)	Marnite Polycast Ltd.	1,00,000	10	0.10	0.10
(vi)	Periwal Bricks Ltd.	1,00,000	10	0.10	0.10
(vii)	Trans Fibre Pipes (I) Ltd.	71,900	10	0.07	0.07
(viii)	Cochin International Airport Ltd.				



**NOTE 13 : (Contd.)**

(₹ in crore)

S.No.	PARTICULARS	Number Shares/Units/ Bonds	Face Value (₹)	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	(a) Equity shares	1,00,00,000	10	10.00	10.00
	(b) Right issue - Shares of ₹10/- each at premium of ₹ 40/- per share	25,68,829	10	12.85	12.85
(ix)	Delhi Mumbai Industrial Corridor Development Corpn. Ltd.	1,99,00,000	10	19.90	19.90
(x)	Sewa Grih Rin Ltd.	18,00,000	10	1.80	1.80
	<b>Sub-Total B (1)</b>			<b>46.92</b>	<b>46.92</b>
<b>(2)</b>	<b>Equity Share - Joint Venture</b>				
(i)	Pragati Social Infrastructure Development Ltd.	1,30,000	10	0.13	0.13
(ii)	Shristi Urban Infrastructure Development Ltd.	20,00,000	10	2.00	2.00
(iii)	Signa Infrastructure India Ltd.	13,000	10	0.01	0.00
	[Refer S.No. 38 & 41 of Note 26 - Explanatory Notes]				
	<b>Sub-Total B (2)</b>			<b>2.14</b>	<b>2.13</b>
<b>(3)</b>	<b>Bonds</b>				
(i)	8.15% A P Power Finance Corporation Ltd. ****	2,700	1,000,000	270.00	270.00
	<b>Sub-Total B (3)</b>			<b>270.00</b>	<b>270.00</b>
	<b>Total Unquoted Investments B (1 + 2 + 3)</b>			<b>319.06</b>	<b>319.05</b>
	<b>Total (A + B)</b>			<b>371.66</b>	<b>371.65</b>
<p>* Market value of shares of Indbank Housing Ltd. @ ₹ 45.35 per share as on 31.03.2018 amounting to ₹ 11.34 crore (previous year @ ₹ 28.05 per share amounting to ₹ 7.01 crore as on 31.03.17), shares of Sri KPR Industries @ ₹ 28.00 per share as on 31.03.2018 amounting to ₹ 0.28 crore (previous year @ ₹ 22.55 per share amounting to ₹ 0.23 crore as on 31.03.17) and NAV of Units of IIFCL Assets Management Company Limited is @ ₹ 14,58,323.4483 per Unit as on 31.03.2018 amounting to ₹ 72.92 crore (previous year @ ₹13,85,719.3218 per unit amounting to ₹ 69.29 crore as on 31.03.17).</p> <p>** IIFCL Mutual Fund Infrastructure Debt Fund Series – I of IAMCL is 10 year close ended scheme launched in 2013-14.</p> <p>*** Share Certificates sent for correction but not received back. HUDCO has filed complaint against the company with Registrar of Companies, Andhra Pradesh on 02.07.1998.</p> <p>**** Floating charge has been created on Statutory Liquid Assets by way of trust deed with M/s IL &amp; FS Trust Company Ltd. in terms of Sub-section (1) &amp; (2) of Section 29B of National Housing Bank Act, 1987.</p>					

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

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Loans @</b>		
(i)	Opening Balance	33,491.22	30,066.48
(ii)	Add : Advanced during the year	16,112.18	8,815.49
(iii)	Less : Repayment received during the year	7,088.81	5,390.75
	<b>Sub Total (i+ii-iii)</b>	<b>42,514.59</b>	<b>33,491.22</b>
(iv)	Less : Provision on Loans (Refer S.No. 4 (b) & 37 (a) of Note 26 - Explanatory Notes)	303.91	329.18
	<b>Sub Total A (i+ii-iii-iv)</b>	<b>42,210.68</b>	<b>33,162.04</b>
<b>B</b>	<b>Staff Loans @ *</b>		
(i)	Staff Loans - Principal 34.62		34.75
(ii)	Loans to Related Parties- Principal ** 0.15		0.11
(iii)	Add : Interest accrued on Staff Loan 17.37		16.39
(iv)	Add : Interest accrued on Loans to Related Parties ** 0.01		0.00
	<b>Sub Total B (i+ii+iii+iv)</b>	<b>52.15</b>	<b>51.25</b>
	* Includes secured by way of mortgage of ₹ 45.37 crore (Previous Year ₹ 48.76 crore).		
	** Loans given to Key Managerial Personnel		
<b>C</b>	<b>Advances</b>		
(i)	Advance against capital purchases	1.92	2.07
(ii)	Deposit for Services	0.27	0.23
(iii)	Prepaid Expenses	1.87	1.90
	<b>Sub Total C (i+ii+iii)</b>	<b>4.06</b>	<b>4.20</b>
	<b>Sub Total (B+C)</b>	<b>56.21</b>	<b>55.45</b>
	<b>Total ( A+B+C)</b>	<b>42,266.89</b>	<b>33,217.49</b>
@	Excluding the amount receivable within 12 months from the date which has been classified in short term loans and advances.		

**Details of Loans**

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	<b>LOANS</b>		
<b>I</b>	<b>Secured Loans</b>		
(a)	Loans (secured by Hypothecation and/ or Mortgage of materials and Tangible Assets)		
(i)	Considered Good	6,864.30	8,450.37
(ii)	Classified Doubtful	567.92	846.08
	<b>Sub Total I - a (i+ii)</b>	<b>7,432.22</b>	<b>9,296.45</b>
<b>II</b>	<b>Unsecured Loans</b>		
(a)	Loans (secured by Government Guarantee)		
(i)	Considered Good	34,691.62	23,769.70
(ii)	Classified Doubtful	-	2.47
	<b>Sub Total II - a (i+ii)</b>	<b>34,691.62</b>	<b>23,772.17</b>
(b)	Loans- Others (secured by Negative Lien, Bank Guarantee, others)		
(i)	Considered Good	390.75	422.60
(ii)	Classified Doubtful	-	-
	<b>Sub Total II - b (i+ii)</b>	<b>390.75</b>	<b>422.60</b>
	<b>Sub Total II (a+b)</b>	<b>35,082.37</b>	<b>24,194.77</b>
	<b>Total (I+II)</b>	<b>42,514.59</b>	<b>33,491.22</b>

**NOTE 15: CURRENT INVESTMENTS**

		(₹ in crore)			
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017		
<b>A</b>	<b>Equity Shares (Long Term) - Joint Venture</b>	-	0.01		
		-	<b>0.01</b>		
<b>Additional disclosures required in respect of the investments</b>		(₹ in crore)			
<b>I</b>	<b>Aggregate of quoted investments:</b>				
(i)	Cost	-	0.00		
(ii)	Market Value	-	0.00		
<b>II</b>	<b>Aggregate of unquoted investments:</b>				
(i)	Cost	-	0.01		
		(₹ in crore)			
S.No.	PARTICULARS	Number Shares	Face Value (₹)	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Unquoted Investments</b>				
	<b>Equity Share - Joint Venture</b>				
(i)	Signa Infrastructure India Ltd. (Transferred to Non current investment) [Refer S.No. 38 & 41 of Note 26 - Explanatory Notes]	13,000	10	-	0.01
	<b>Total</b>			-	<b>0.01</b>

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

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Unsecured</b>		
<b>I</b>	<b>Outstanding for a period exceeding six months from the due date</b>		
(i)	Considered good	1.61	1.06
(ii)	Considered doubtful	16.30	16.28
	<b>Sub Total (i+ii)</b>	17.91	17.34
(iii)	Less: Provision for doubtful debts (Refer S.No. 29 of Note 26 - Explanatory Notes)	16.30	16.28
	<b>Sub Total (i+ii-iii)</b>	<b>1.61</b>	<b>1.06</b>
<b>II</b>	<b>Others</b>		
(i)	Considered good	0.35	2.79
	<b>Total (I+II)</b>	<b>1.96</b>	<b>3.85</b>
<b>Footnote:</b>		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
1	Secured, considered good	-	-
	Unsecured, considered good	1.96	3.85
	Doubtful	16.30	16.28
2	<b>Trade Receivable stated above include debts due by</b>		
	Director	Nil	Nil
	Other Officers of the Company	Nil	Nil
	Firm in which Director is a partner	Nil	Nil
	Private Company in which director is a member	Nil	Nil

**NOTE 17: CASH AND BANK BALANCES**

(₹ in crore)

S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Cash and Cash Equivalents</b>		
(i)	Balances in Current Accounts With:		
(a)	Reserve Bank of India	0.05	0.03
(b)	Scheduled Banks *	68.42	46.67
		68.47	
(ii)	Bank Deposits (3 months & Less than 3 months) **	3.41	-
(iii)	Cash and Revenue Stamps in hand	-	0.01
(iv)	Stamps in Hand (Including Franking Machine balance)	0.01	0.00
(v)	Remittance in transit (Inter Office)	-	0.80
	<b>Sub-Total (A)</b>	<b>71.89</b>	<b>47.51</b>
<b>B</b>	<b>Others Balances</b>		
(i)	Bank Deposits (More than 12 months)	-	-
(ii)	Bank Deposits (More than 3 months & upto 12 months) ***	39.39	153.90
(iii)	Bank Deposits - Under lien with Bank of India, Cayman Islands branch, USA	111.06	131.43
	<b>Sub-Total (B)</b>	<b>150.45</b>	<b>285.33</b>
	<b>Total (A+B)</b>	<b>222.34</b>	<b>332.84</b>

**Components of Cash & Cash Equivalents : Earmarked balances with Bank**

(₹ in crore)

S.No.	Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
*	Balances in Current Accounts With Scheduled Banks:		
(i)	Rajiv Rinn Yojana	0.11	0.02
(ii)	No-Lien account of Andrews Ganj Project	0.08	0.08
(iii)	Heritage Project - Retail Finance	0.07	0.02
(iv)	Interest Subsidy for Housing Urban Poor (ISHUP)	0.01	0.01
(v)	Credit Linked Subsidy Scheme	50.50	1.20
(vi)	HORIZON Projects (Indore) Pvt. Ltd.	-	0.25
(vii)	BSUP Project	0.01	0.01
(viii)	Interim Dividend Balance	0.24	-
(ix)	Unclaimed Dividend	0.01	-
(x)	Unclaimed Bonds	5.33	4.79
	<b>Sub Total - Balances in Current Accounts With Schedules Banks</b>	<b>56.36</b>	<b>6.38</b>
**	Bank Deposits (3 months & Less than 3 months)		
(i)	Vikat Hotel	3.41	0.00
	<b>Sub Total - Bank Deposits (3 months &amp; Less than 3 months)</b>	<b>3.41</b>	<b>0.00</b>
***	<b>Components of Other balances - Earmarked Bank Deposits (More than 3 months &amp; upto 12 months) :</b>		
			(₹ in crore)
S.No.	Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
(i)	Human Settlement Management Institute Study Fund	3.18	3.00
(ii)	Rajiv Rinn Yojana	31.48	30.00
(iii)	Heritage Project - Retail Finance	1.57	1.55
(iv)	Credit Linked Subsidy Scheme	-	41.40
(v)	Vikat Hotel	-	3.28
(vi)	BSUP Project	2.91	2.71
(vii)	OCRPMO	0.25	0.24
	<b>Sub Total - Bank Deposits (More than 3 months &amp; upto 12 months)</b>	<b>39.39</b>	<b>82.18</b>
(viii)	Under lien with Bank of India, Cayman Islands branch, USA.	111.06	131.43

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

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Loans @</b>		
(i)	Opening Balance	5,899.75	5,328.46
(ii)	Add : Advanced during the year	452.67	279.64
(iii)	Less : Repayment/ (Adjustments/ transfer) received during the year	(663.26)	(291.65)
	<b>Sub Total (i+ii-iii)</b>	<b>7,015.68</b>	<b>5,899.75</b>
(iv)	Less : Excess amount (Pending adjustment)	0.53	0.70
	<b>Sub Total (i+ii-iii-iv)</b>	<b>7,015.15</b>	<b>5,899.05</b>
(v)	Less : Provision on Loans (Refer S.No. 4 (b) & 37 (a) of Note 26 - Explanatory Notes)	2,148.93	1,623.53
	<b>Sub Total (i+ii-iii-iv-v)</b>	<b>4,866.22</b>	<b>4,275.52</b>
(vi)	Add : Interest accrued and due on above	8.61	20.61
	<b>Sub Total A (i+ii-iii-iv-v+vi)</b>	<b>4,874.83</b>	<b>4,296.13</b>
<b>B</b>	<b>Staff Loans @ *</b>		
(i)	Staff Loans - Principal 11.50		10.47
(ii)	Loans to Related Parties - Principal ** 0.07		0.02
(iii)	Add : Interest accrued on Staff Loan 0.85		0.64
(iv)	Add : Interest accrued on Loans to Related Parties ** -		0.01
	<b>Sub Total (i+ii+iii+iv)</b>	12.42	
(v)	Less : Provision on Staff Loans (Refer S.No. 29 of Note 26 - Explanatory Notes) 0.09		0.09
	<b>Sub Total - B - (i+ii+iii+iv-v)</b>	<b>12.33</b>	<b>11.05</b>
	* Includes secured by way of mortgage of ₹ 7.32 crore (Previous Year ₹ 7.59 crore).		
	** Loans given to Key Managerial Personnel		
<b>C</b>	<b>Loan (Secured against Hudco Public Deposit)</b>		
(i)	Loan (Secured against Hudco Public Deposit) - Principal	-	1.46
(ii)	Add: Interest accrued on above	-	0.41
	<b>Sub Total - C - (i+ii)</b>	<b>-</b>	<b>1.87</b>
	<b>Total (A+B+C)</b>	<b>4,887.16</b>	<b>4,309.05</b>

@ The amount receivable within 12 months from the date has been classified in short term loans and advances.

**Details of Loans**

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	<b>LOANS</b>		
<b>I</b>	<b>Secured Loans</b>		
(a)	Loans (secured by Hypothecation and/ or Mortgage of materials and Tangible Assets)		
(i)	Considered Good	1,400.42	1,987.62
(ii)	Classified Doubtful	2,354.87	1,358.53
	<b>Sub Total I - a (i+ii)</b>	<b>3,755.29</b>	<b>3,346.15</b>
<b>II</b>	<b>Unsecured Loans</b>		
(a)	Loans (secured by Government Guarantee)		
(i)	Considered Good	3,023.87	2,342.62
(ii)	Classified Doubtful	182.28	156.43
	<b>Sub Total II - a (i+ii)</b>	<b>3,206.15</b>	<b>2,499.05</b>
(b)	Loans- Others (secured by Negative Lien, Bank Guarantee, others)		
(i)	Considered Good	31.85	31.85
(ii)	Classified Doubtful	22.39	22.70
	<b>Sub Total II - b (i+ii)</b>	<b>54.24</b>	<b>54.55</b>
	<b>Sub Total II (a+b)</b>	<b>3,260.39</b>	<b>2,553.60</b>
	<b>Total (I+II)</b>	<b>7,015.68</b>	<b>5,899.75</b>

**NOTE 19: OTHER CURRENT ASSETS**

		(₹ in crore)	
S.No.	PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Advances</b>		
(i)	Deposit for Services	0.08	0.11
(ii)	Prepaid Expenses	32.97	15.60
(iii)	Loans and Advances to related party	-	-
(iv)	<b>Other loans and Advances</b>		
(a)	Advances for works *	14.06	14.06
(b)	Recoverable from Andrews Ganj Project (AGP) (Refer S.No. 2 (b) of Note 26 - Explanatory Notes)	364.88	293.21
(c)	Advances to Employees	7.53	5.05
(d)	Advance Income Tax (Including TDS)	443.52	-
(e)	Less: Provision for Income Tax	443.18	-
(f)	Net Advance Tax (d-e)	0.34	-
(g)	Income Tax Payments under litigation	320.20	290.14
(h)	Interest Tax Payments under litigation	-	6.58
(i)	Service Tax Payments under litigation	2.63	2.64
	<b>Sub Total (g+h+i)</b>	<b>322.83</b>	<b>290.14</b>
(j)	Less: Provision for Service Tax	2.49	2.49
	<b>Sub Total (g+h+i-j)</b>	<b>320.34</b>	<b>287.65</b>
(k)	Advance against CSR expenditure	1.45	-
(l)	Others **	12.96	52.70
(m)	Less : Provision (Refer S.No. 29 of Note 26 - Explanatory Notes)	2.22	0.64
	<b>Sub Total (l-m)</b>	<b>10.74</b>	<b>52.06</b>
	<b>Sub Total A (i+ii+iii+iv)</b>	<b>752.39</b>	<b>676.96</b>
	* Includes ₹ 13.97 crore (Previous year ₹ 13.97 crore) on account of Andrews Ganj Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes).		
	** Includes ₹ Nil (Previous year ₹ 43.94 crore) on account of Andrews Ganj Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes).		
<b>B</b>	<b>Interest accrued but not due on :</b>		
(i)	Bonds	22.01	22.01
(ii)	Fixed Deposit with Scheduled Bank - Indian Branches	0.14	1.62
(iii)	Deposit with Scheduled Bank - Foreign Branches	0.74	0.69
(iv)	Loans	271.55	254.09
	<b>Sub Total B (i+ii+iii+iv)</b>	<b>294.44</b>	<b>278.41</b>
<b>C</b>	<b>Work-in-Progress</b>		
(i)	Andrews Ganj Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes)	19.34	19.34
(ii)	BSUP Project	11.77	11.77
	<b>Sub Total C (i+ii)</b>	<b>31.11</b>	<b>31.11</b>
	<b>Sub Total (B+C)</b>	<b>325.55</b>	<b>309.52</b>
	<b>Total (A+B+C)</b>	<b>1,077.94</b>	<b>986.48</b>

**NOTE 20: REVENUE FROM OPERATIONS**

		(₹ in crore)	
S.No.	PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Interest Income</b>		
(i)	Interest on Loans	4,202.02	3,468.28
(ii)	Less: Interest waived off	212.46	34.11
	<b>Sub Total (i-ii)</b>	<b>3,989.56</b>	<b>3,434.17</b>
(iii)	Interest on Bonds	22.01	22.01
(iv)	Interest on Loan against Public Deposits	0.03	0.19
(v)	Interest on Fixed Deposits		
1	Scheduled Bank - Indian Branches	7.09	14.42
2	Scheduled Bank - Foreign Branches	2.36	2.15
	<b>Sub Total - v (1+2)</b>	<b>9.45</b>	<b>16.57</b>
	<b>Sub Total A (i-ii+iii+iv+v)</b>	<b>4,021.05</b>	<b>3,472.94</b>
<b>B</b>	<b>Other Operations Income</b>		
	Other Income on Loans	51.64	22.40
<b>C</b>	<b>Other Financial Service</b>		
	Consultancy, Trusteeship and Consortium	2.73	3.51
	<b>Total (A+B+C)</b>	<b>4,075.42</b>	<b>3,498.85</b>



**NOTE 21: OTHER INCOME**

		(₹ in crore)	
S.No.	PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
<b>A</b>	<b>Dividend Income</b>		
	Dividend on long term equity shares	3.25	3.10
<b>B</b>	<b>Net gain / loss on sale of investments</b>		
	Profit on sale of fixed assets (Net)	0.02	0.04
<b>C</b>	<b>Others</b>		
(i)	Net gain in Foreign Currency Translation and Transaction	-	3.10
(ii)	Interest on Staff Advances	2.88	2.28
(iii)	Rental Income	34.49	35.21
(iv)	Interest on Income tax Refund	23.47	7.83
(v)	Excess Provision of Interest on Short Income Tax written back	1.28	0.55
(vi)	Overhead Charges on Construction Project	0.03	0.03
(vii)	Interest on Construction Project (Refer S.No. 2 (b) of Note 26 - Explanatory Notes)	26.24	23.40
(viii)	Management Development Programme	0.50	2.80
(ix)	Miscellaneous Income	5.26	7.65
	<b>Total (A+B+C)</b>	<b>97.42</b>	<b>85.99</b>

**NOTE 22: FINANCE COST**

		(₹ in crore)	
S.No.	PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
<b>A</b>	<b>INTEREST EXPENDITURE</b>		
(i)	Interest on secured loans	1,597.35	1,557.27
(ii)	Interest on unsecured loans		
(a)	Indian Currency	612.46	387.15
(b)	Foreign Currency		
	- Unswapped	3.56	4.01
	- Swapped	18.11	21.57
(iii)	Interest on Income tax	2.03	3.00
	<b>Sub-Total (A)</b>	<b>2,233.51</b>	<b>1,973.00</b>
<b>B</b>	<b>OTHER BORROWING COST</b>		
(i)	Government Guarantee Fee	2.51	2.97
(ii)	Premium on Forward Sale Contract	12.76	-
(iii)	Other Expenses on loans	11.12	10.35
	<b>Sub-Total (B)</b>	<b>26.39</b>	<b>13.32</b>
<b>C</b>	<b>Net loss in Foreign currency Translation and Transaction</b>	7.78	-
	<b>Sub-Total (C)</b>	<b>7.78</b>	<b>-</b>
	<b>Total (A) + (B) + (C)</b>	<b>2,267.68</b>	<b>1,986.32</b>

**NOTE 23: EMPLOYEE BENEFIT EXPENSES**

		(₹ in crore)			
S.No.	PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018		Year Ended 31 <sup>st</sup> March, 2017	
		Directors *	Total	Directors *	Total
<b>A</b>	Salaries, Allowances & Other Amenities **	1.17	147.42	0.95	108.57
<b>B</b>	Group Saving Linked Insurance Premium	-	0.02	-	0.02
<b>C</b>	Gratuity **	0.01	0.50	0.01	0.16
<b>D</b>	Insurance **	-	0.43	-	0.34
<b>E</b>	Welfare	-	2.98	-	2.02
<b>F</b>	Staff Development/Training	-	0.19	0.01	0.05
<b>G</b>	Provident Fund / Pension Fund	0.10	9.88	0.08	7.85
<b>H</b>	Administrative Charges-Provident Fund	-	0.30	-	0.15
<b>I</b>	HUDCO Pension Fund	0.02	6.41	0.04	5.21
<b>J</b>	Contribution to Benevolent Fund	-	0.04	-	0.04
	<b>Total</b>	<b>1.30</b>	<b>168.17</b>	<b>1.09</b>	<b>124.41</b>

\* Included in total.  
\*\* Includes provision / payment for directors.

**NOTE 24: OTHER EXPENSES**

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018		Year Ended 31 <sup>st</sup> March, 2017	
		Directors *	Total	Directors *	Total
<b>A</b>	<b>ADMINISTRATIVE</b>				
(i)	Office Rent **	-	1.08	-	1.00
(ii)	Repairs & Maintenance to Building	-	11.65	-	7.52
(iii)	Repairs & Maintenance to Other Assets	-	1.07	-	1.62
(iv)	Repairs & Maintenance to Vehicle	-	0.42	-	0.42
(v)	Loss on sale of Fixed Assets (Net)	-	-	-	-
(vi)	Loss on sale of Investment	-	-	-	0.12
(vii)	Insurance	-	0.11	-	0.12
(viii)	Rates & Taxes	-	1.89	-	1.88
(ix)	Travelling	0.51	3.85	0.41	3.54
(x)	Legal & Professional Fees	-	6.31	-	3.62
(xi)	Auditors Remuneration :				
(a)	Audit Fees				
	(i) Current Year	-	0.18	-	0.18
	(ii) Previous Year (Arrears)	-	-	-	0.02
(b)	Tax Audit Fees				
	(i) Current Year	-	0.08	-	0.08
	(ii) Previous Year (Arrears)	-	-	-	0.02
(c)	Other Services	-	0.14	-	0.11
(d)	Reimbursement of expenses	-	0.01	-	0.03
(xii)	Electricity	-	1.96	-	1.92
(xiii)	Printing, Stationery & Photocopying	-	0.88	-	0.82
(xiv)	Postage, Telegram, Telephone & Telex	-	1.97	-	1.46
(xv)	Advertisement, Publicity & Sponsorship	-	7.19	-	3.90
(xvi)	Exhibition & Conference (Net)	-	1.76	-	0.72
(xvii)	Subscription & Membership	0.01	0.13	-	0.16
(xviii)	Miscellaneous #	0.26	17.46	0.16	10.16
	<b>Total A</b>	<b>0.78</b>	<b>58.14</b>	<b>0.57</b>	<b>39.42</b>
<b>B</b>	<b>OTHERS</b>				
(i)	Grant in Aid/ R & D expenditure	-	0.10	-	0.10
(ii)	Expenses on Consultancy	-	0.31	-	0.16
(iii)	Expenses on Management Development Programme	-	0.57	-	0.84
(iv)	Research and Development	-	1.04	-	1.53
	<b>Total B</b>	<b>-</b>	<b>2.02</b>	<b>-</b>	<b>2.63</b>
	<b>Total (A+B)</b>	<b>0.78</b>	<b>60.16</b>	<b>0.57</b>	<b>42.05</b>
* Included in total.					
** Refer S.No. 31 of Note 26 - Explanatory Notes.					
# Includes ₹ 0.25 crore (Previous year ₹ 0.14 crore) on account of Sitting fee paid to Directors.					

**NOTE 25: PRIOR PERIOD ADJUSTMENTS**

(₹ in crore)

S.No.	PARTICULARS	Year Ended	Year Ended
		31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
<b>A</b>	<b>INCOME</b>		
(i)	Salary Allowances & Other benefits	0.02	0.04
(ii)	Interest on Loans	-	47.83
(iii)	Depreciation	-	0.01
(iv)	Interest on Bonds & Other Borrowings	0.69	0.68
(v)	Miscellaneous receipts	0.04	0.71
	<b>Total A</b>	<b>0.75</b>	<b>49.27</b>
<b>B</b>	<b>EXPENDITURE</b>		
(i)	Salary Allowances & Other benefits	0.05	-
(ii)	Depreciation	0.01	0.21
(iii)	Other Expenses	0.01	0.08
	<b>Total B</b>	<b>0.07</b>	<b>0.29</b>
	<b>Excess of Income over Expenditure / (Expenditure over Income) (A - B)</b>	<b>0.68</b>	<b>48.98</b>

**NOTE 26 : EXPLANATORY NOTES**

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

**(a) Contingent Liabilities:**

(₹ in crore)

		2017-18	2016-17
i.	Claims of Contractors not acknowledged as debts *	0.18	0.67
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 31.03.2018 of ₹ 320.20 crore (previous year ₹ 296.72 crore) under protest. (This does not include un-quantified demands pertaining to interest/ penalties which may be levied after the finalisation of appeals)	324.97	371.09
iv.	Disputed service tax demands against which Company has gone in appeal. The Company has paid a cumulative amount upto 31.03.2018 of ₹ 0.14 crore (previous year ₹ 0.15 crore) under protest. (This does not include un-quantified demands pertaining to interest/ penalties which may be levied after the finalisation of appeals).	4.52	4.77

\* Counter claims of the Company is ₹ 0.32 crore as on 31.03.2018 (previous year ₹ 0.63 crore) against the claim of contractors not acknowledged as debts.

**(b) Capital commitments not provided for:**

(₹ in crore)

		2017-18	2016-17
i.	Estimated amount of commitments remaining to be executed on capital account	34.46	36.30

**(c) CSR commitments not provided for:**

(₹ in crore)

		2017-18	2016-17
i.	Estimated amount of CSR commitments remaining to be executed	20.66	18.08

- 2) (a) The above does not include any contingent liabilities 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 7<sup>th</sup> 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 4<sup>th</sup> 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 3<sup>rd</sup> 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 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 7<sup>th</sup> September, 1995 and in terms of Perpetual Lease Deed dated 4<sup>th</sup> 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 (erstwhile MoUD) and there is no financial liability of HUDCO in respect of AGP. This has been upheld by the opinion dated 12<sup>th</sup> April, 2005 as opined

**NOTE 26 : (Contd.)**

by learned Shri GE Vahanvati, the then Solicitor General of India. This opinion was re-confirmed by learned Shri G.E Vahanvati as Attorney General of India vide his opinion dated 19<sup>th</sup> August, 2009. The opinion was also duly endorsed by the then Law Secretary and Law Minister of Government of India. Moreover, the Hon'ble Supreme Court of India (in the case of HUDCO vs MCD) has also held that HUDCO is an agent of MoHUA (erstwhile MoUD), in respect of AGP and AGP belongs to Government of India.

- v) Keeping this position in view and in accordance with HUDCO's Board decision in 459<sup>th</sup> meeting dated 24<sup>th</sup> 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 31<sup>st</sup> March, 2018 this account has a deficit in the form of debit balance of ₹ 398.12 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 ₹153.87 crore charged @ 10.75% p.a. (simple), on excess of expenditure over recoveries. The MoHUA (erstwhile MoUD) in a meeting held on 27<sup>th</sup> 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 30<sup>th</sup> 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 in specific 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 22<sup>nd</sup> 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 04<sup>th</sup> July, 1997. Like in earlier years, in-line with the Perpetual Lease Deed and letter dated 22<sup>nd</sup> March, 2016 of Dy. L&DO, an income of ₹ 26.24 crore on account of interest accrued on AGP Project has been credited to Statement of Profit and Loss for the period ended 31<sup>st</sup> March, 2018.

Dy. L&DO MoHUA (erstwhile MoUD) vide minutes of the meeting held on 21<sup>st</sup> September, 2017 has communicated that HUDCO will not book any expenditure from "No Lien AGP Account". Further, MoHUA vide its letter dated 23<sup>rd</sup> February, 2018 has stated that (i) "No permission for expenditure from "No Lien AGP Account" can be granted and (ii) Conduct audit of No Lien AGP account through JS&FA, MoHUA".

The Board of Directors in its 593<sup>rd</sup> meeting held on 20<sup>th</sup> March, 2018 directed that, Ministry may be approached for early audit of "No Lien AGP Account", reimbursement of outstanding amount as on 31<sup>st</sup> March, 2018 and also to grant permission/ book expenses on essential maintenance activity from "No Lien AGP Account".

The Company has been reiterating its consistent stand to operate the project in terms of Perpetual Lease Deed dated 4<sup>th</sup> July, 1997 & minutes of meeting held on 7<sup>th</sup> September, 1995 and as per the opinion of Attorney General of India, that Company being agent of MoHUA (erstwhile MoUD), hence, all the expenses are to be booked to "No Lien AGP Account".

In view of the above, matter has been taken up with MoHUA to re-consider its decision taken during the meeting held on 21<sup>st</sup> September, 2017 and allow HUDCO to book all expenses on Andrews Ganj Project in "No Lien AGP Account".

- vii) 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 ₹ 398.12 crore, as on 31<sup>st</sup> March, 2018.
- (c) i) An amount of ₹ 17.98 crore (50% of the total property tax claimed by Municipal Corporation of Delhi (MCD)) was initially deposited by HUDCO with MCD on account of property tax of Andrews Ganj Project for the period from 2<sup>nd</sup> July, 1990 to 4<sup>th</sup> July, 1997, though the property belongs to Govt. of India.

**NOTE 26 : (Contd.)**

The Hon'ble Supreme Court vide its judgement dated 13<sup>th</sup> December, 2000 stated that the entire amount along with interest is recoverable from SDMC (erstwhile MCD) on finality along-with interest @ 12%. Accordingly, an amount of ₹ 11.45 crore was refunded by SDMC on 30<sup>th</sup> September, 2005. Initially, the amount refunded by SDMC was adjusted towards the interest, however MCD has clarified vide letter no. Tax/HQ/GRP/D-429/678 dated 24.10.2012 that the refund included ₹ 6.98 crore towards amount paid by the Company on 31<sup>st</sup> March, 2000 to MCD and ₹4.47 crore towards interest @12% p.a.

In view of the SDMC's Property Tax Amnesty Scheme 2016-17 and as per directions of MoHUA (erstwhile MoUD), payment of ₹ 25,30,96,388/- (₹ 32,30,96,388 less ₹7,00,00,000 paid by HUDCO in terms of Orders passed by Hon'ble High Court of Delhi in Writ Petition No. 467/2013 filed by HUDCO in 2013) was made by HUDCO to SDMC towards property tax/ service charges payable for the period from 2<sup>nd</sup> July, 1990 to 31<sup>st</sup> March, 2017 and the same was booked in the "No Lien AGP Account". The payment made was based on the calculations agreed between HUDCO and SDMC for property tax/ service charge payable which was computed without any penalty and interest and also after adjusting the amount already refunded/ adjusted by SDMC to HUDCO in terms of the Hon'ble Supreme Court Judgement dated 13<sup>th</sup> December, 2000.

An Execution Petition, earlier filed by HUDCO in Hon'ble Supreme Court, to recover the balance amount in terms of their Judgement dated 13<sup>th</sup> December, 2000, was dismissed by the court on 7<sup>th</sup> May, 2018, as the amount claimed by HUDCO through said Execution Petition has been adjusted while calculating the Property tax/ service charges payable from 2<sup>nd</sup> July, 1990 to 31<sup>st</sup> March, 1997, under Amnesty Scheme 2016-17. The amount receivable from SDMC (erstwhile MCD) having been adjusted in the Amnesty Scheme is therefore no more recoverable from SDMC. Necessary corrective action entries have been passed by the Company based on the above said facts considering the finality of the matter.

- (d) i) The Company had allotted a hotel site including car parking space to M/s. M S Shoes East Limited (MSSEL). Due to default in payment of installments by MSSEL, the Company cancelled the allotment of hotel site including car parking space and forfeited the amount paid by MSSEL in terms of the allotment letter.

MSSEL 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 3<sup>rd</sup> 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 18<sup>th</sup> July, 2014 dismissed the first appeal of HUDCO and passed the judgment in favour of MSSEL. HUDCO filed Regular Second Appeal (RSA) with Hon'ble High Court of Delhi which passed the final judgment on 3<sup>rd</sup> July, 2016 in favour of HUDCO in response to RSA. MSSEL challenged the High Court Order by filing SLP 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 MSSEL, was cancelled and amount of first installment paid by MSSEL was forfeited as per terms of allotment letter. MSSEL filed a civil suit for permanent injunction and possession against HUDCO & Union of India. The Hon'ble High Court, vide Order dated 10<sup>th</sup> August, 2016, directed that HUDCO & Union of India should consider the proposal given by MSSEL for refund of entire amount deposited by way of 1<sup>st</sup> 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 10<sup>th</sup> August, 2016, the Board in its 568<sup>th</sup> meeting held on 23<sup>rd</sup> 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 MSSEL 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.

The Hon'ble High Court passed a decree dated 13<sup>th</sup> January, 2017 for payment of 1<sup>st</sup> installment of ₹ 35.75 crore to MSSEL along-with 6% interest till date of payment and directed HUDCO to refund the interest paid by MSSEL (₹ 0.99 crore) on the delayed period of payment of 1<sup>st</sup> installment (from 30<sup>th</sup> November, 1994 till 30<sup>th</sup> January, 1995). If the entire amount is not paid on or before 31<sup>st</sup> December, 2017, the rate of interest shall then stand enhanced to 11% p.a. However, the decree was made in-executable till 30<sup>th</sup> June 2017.

**NOTE 26 : (Contd.)**

MSSEL filed Review Petition in the month of May, 2017, before Hon'ble High Court of Delhi for review of the Decree dated 13<sup>th</sup> January, 2017, praying inter-alia for refund of EMD, grant of interest @ 16.48% on quarterly rests. Subsequently, Review Petition filed by MSSEL was disposed off by the High Court on 12<sup>th</sup> December, 2017. Thereafter, MSSEL has filed Special Leave Petition (SLP) in Hon'ble Supreme Court against the Decree dated 13<sup>th</sup> January, 2017 and Hon'ble High Court Order dated 12<sup>th</sup> December, 2017. The SLP filed by MSSEL is currently pending in Hon'ble Supreme Court.

MSSEL has also filed first Execution Petition in Delhi High Court and later on, the same was also withdrawn by MSSEL on 23<sup>rd</sup> December, 2017. Thereafter, MSSEL has filed Revised Execution Petition, making Govt. of India also a party and claiming rate of interest @ 11% as per the decree dated 13<sup>th</sup> January, 2017 and the matter was listed on 3<sup>rd</sup> May, 2018, wherein the Hon'ble High Court first directed for attachment of HUDCO Property i.e. HUDCO Bhawan, IHC, Lodi Road, New Delhi. However, after hearing the submission of HUDCO vide the same order, Hon'ble High Court has 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. As per the legal opinion of Learned Justice V.N. Khare, former Chief Justice of India, "It is clear that very act of issuance of order of attachment has been kept in abeyance, the warrant of attachment as directed has not yet seen the light of the day and is yet to be issued". The Company has already filed application for recalling the Hon'ble High Court Order dated 13<sup>th</sup> January, 2017, in view of the Review Petition filed by MSSEL and directions of Govt. of India. 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 13<sup>th</sup> 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". The matter is listed for hearing on 4<sup>th</sup> July, 2018. 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.

- (e) i) 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% with respect to issues related to external electrification, provision of scrubber, refund of interest etc. on 28<sup>th</sup> July, 2005 in respect of the property leased to APIL under AGP. The Arbitrator has also allowed the counter claim of HUDCO amounting to approximately ₹ 0.85 crore along with interest @ 18% on account of maintenance charges w.e.f. 1<sup>st</sup> January, 2001 up-to 31<sup>st</sup> 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 21<sup>st</sup> 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 10<sup>th</sup> May, 2012 has set aside the arbitration award dated 21<sup>st</sup> 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 24<sup>th</sup> January, 2013, allowed APIL appeal and upheld the Arbitrators award. HUDCO filed SLP on 10<sup>th</sup> May, 2013 before Supreme Court against this order which is currently pending.

- 3) Under the Disinvestment programme of Government of India, the President of India acting through the Ministry of Housing and Urban Affairs (erstwhile Ministry of Housing and Urban Poverty Alleviation) (Selling Shareholder) sold 10.193% of its equity shareholding (i.e. 204,058,747 equity shares of face value of ₹ 10/- each) in Housing and Urban Development Corporation Ltd. (HUDCO) through an Initial Public Offer (IPO) at a price of ₹ 60/- per equity share. As the offer comprised solely of the offer for sale by the selling shareholder and with the Company not raising any fresh equity capital through the offer, no proceeds of the offer have been received by the Company. The equity shares of the Company got listed on 19<sup>th</sup> May, 2017.
- 4) (a) The Company has procedure for seeking confirmation of outstanding balances at each quarter end from all the borrowers except cases under litigation. In case of receipt of balance confirmation from the agency for any Quarter of the year, the same is treated as confirmed during the year. Confirmation of balances covering approximately 79.34% received up to 25<sup>th</sup> May, 2018 (previous year 89.24%) in value of the total project loan outstanding (excluding Litigation cases) have been received from the borrowers.

**NOTE 26 : (Contd.)**

- (b) The Company has made provision on loans of ₹ 2,692.87 crore as on 31<sup>st</sup> March, 2018 as against the provision of ₹ 2,408.87 crore required as per NHB norms. Hence, the Company has additional provision of ₹ 284 crore (including the earmark provision amounting ₹ 193.03 crore with respect to borrower RKM Powergen Pvt. Ltd.) as on 31<sup>st</sup> March, 2018 (₹ 330 crore as on 31<sup>st</sup> March, 2017) as per accounting policy of the Company. (Refer sub-Note No. 6 below)
- 5) 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.
- 6) In case of RKM Powergen Private Ltd., the loan asset was categorized as sub-standard by the Company on 15<sup>th</sup> April, 2015. However, 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. Had the account been classified as NPA, Company would be required to make a provision amounting to ₹ 193.03 crore (Previous year ₹ 120.64 crore) against the principal outstanding of ₹ 482.57 crore) as on 31<sup>st</sup> March, 2018. In view of prudent accounting, the interest income of ₹ 121.81 crore (Previous year ₹ 101.58 crore) has not been recognized in the Statement of Profit & Loss and further, the Company has earmarked provision of ₹ 193.03 crore in the additional provision of ₹ 284 crore as on 31<sup>st</sup> March, 2018 to meet such exigency.
- 7) The Company had sanctioned a loan of ₹ 46 crore (curtailed) to M/s Dighi Port Ltd. under Consortium Funding arrangement. An amount of ₹ 44.87 crore was disbursed against the sanctioned loan and the principal outstanding as on 31<sup>st</sup> March, 2018 is ₹ 44.29 crore. The account has been classified as NPA since June, 2014 and the Company has made a provision of 40% on the outstanding loan as on 31<sup>st</sup> March, 2018. A Corporate Resolution Process (CRP) has been initiated on 25<sup>th</sup> March, 2018 against the borrower and the same has been admitted in National Company Law Tribunal (NCLT), Mumbai on 6<sup>th</sup> April, 2018. HUDCO has filed a claim of ₹ 98.21 crore with the Interim Resolution Professional (IRP).
- 8) The Company had sanctioned a loan of ₹ 360 crore to KVK Nilachal Power Private Ltd. under Consortium Funding arrangement. An amount of ₹ 349.40 crore was disbursed against the sanctioned loan and the principal outstanding as on 31<sup>st</sup> March, 2018 is ₹ 348.71 crore. The account has been classified as NPA since June, 2015 and the Company has made a provision of ₹ 175.61 crore on the outstanding loan as on 31<sup>st</sup> March, 2018. In the Joint Lenders Forum (JLF) meeting held on 2<sup>nd</sup> February 2018, the lenders have agreed to engage an IRP for initiating CRP in the NCLT.
- 9) The Company had sanctioned a loan of ₹ 90 crore to Visa Steel Ltd. under Consortium Funding arrangement. An amount of ₹ 81.25 crore was disbursed against the sanctioned loan and the principal outstanding as on 31<sup>st</sup> March, 2018 is ₹ 61.76 crore. The account has been classified as NPA since June, 2015 and the Company has made a provision of ₹ 29.51 crore on the outstanding loan as on 31<sup>st</sup> March, 2018. The lead bank has approached NCLT, Kolkata under IBC, 2016 and the matter is posted for 12<sup>th</sup> July, 2018.
- 10) The Company had sanctioned a loan of ₹ 295 crore to M/s Electrosteels Steel Limited (ESL) under Consortium Funding arrangement. An amount of ₹ 295 crore was disbursed against the sanctioned loan and the principal outstanding as on 31<sup>st</sup> March, 2018 is ₹ 245.83 crore. The account has been classified as NPA since September, 2015 and the company has made a provision of ₹ 98.33 crore as on 31<sup>st</sup> March, 2018.

The NCLT, Kolkata vide its order dated 17<sup>th</sup> April, 2018 has approved the resolution plan involving the payment of ₹ 5,320 crore (being the sustainable debt to be paid to the financial creditor against the admitted claim of ₹ 13,175.15 crore). However, the decision of NCLT approving Resolution Plan of Vedanta Ltd. has been challenged before National Company Law Appellate Tribunal (NCLAT) by Renaissance Steel India Pvt. Ltd., one of the unsuccessful Resolution Applicants, where NCLAT has vide order dt. 1<sup>st</sup> May, 2018 ordered to maintain status quo.

In case, NCLAT upholds the order of NCLT, Kolkata approving the Resolution Plan of Vedanta Ltd., the Company is likely to receive an amount of ₹ 154.73 crore, as against net NPA of ₹ 147.50 crore as on 31<sup>st</sup> March, 2018.

- 11) The Company had sanctioned a loan of ₹ 250 crore to Coastal Energen Private Ltd., under Consortium Funding arrangement. An amount of ₹ 250 crore was disbursed against the sanctioned loan and the principal outstanding as on 31<sup>st</sup> March, 2018 is ₹ 250 crore. The account has been classified as NPA since December, 2013 and the Company has already made full provision (100%) against the outstanding loan. A Revised Resolution Plan outside the Insolvency & Bankruptcy Code (IBC) has since been initiated by the lenders with 1<sup>st</sup> March, 2018 as the reference date. In the event of failure to conclude the plan within the stipulated period or otherwise, the lenders have the right to initiate the Resolution Process under the IBC.

**NOTE 26 : (Contd.)**

- 12) The Company had sanctioned a loan of ₹ 350 crore to Nagarjuna Oil Corporation Limited (NOCL) under Consortium Funding arrangement. An amount of ₹ 350 crore was disbursed against the sanctioned loan and the principal outstanding as on 31<sup>st</sup> March, 2018 is ₹ 349.88 crore. The account has been classified as NPA since June, 2013 and the Company has already made full provision (100%) against the outstanding loan. A Corporate Insolvency Resolution Process (CIRP), initiated by an Operational Creditor, was admitted in NCLT, Chennai on 25<sup>th</sup> July, 2017. The Committee of Creditors (CoC) in their meeting held on 19<sup>th</sup> April, 2018 has recommended for liquidation of NOCL, based on which the Resolution Professional (RP) had filed intimation before NCLT on 20<sup>th</sup> April, 2018.
- 13) The Company had sanctioned a loan of ₹ 366.11 crore to Lanco Teesta Hydro Power Pvt. Ltd. (LTHPL) under Consortium Funding arrangement. An amount of ₹ 366.11 Crore was disbursed against the sanctioned loan and the principal outstanding as on 31<sup>st</sup> March, 2018 is ₹ 366.11 crore. The account has been classified as NPA in June, 2017 and the Company has made a provision of 15% on the outstanding loan as on 31<sup>st</sup> March, 2018. The Corporate Insolvency Resolution Process (CIRP) has been admitted in NCLT, Hyderabad on 16<sup>th</sup> March, 2018. The Company shall be making further additional provision @ 10% of the outstanding loan during the quarter ending 30<sup>th</sup> June, 2018, as per the NHB provisioning norms.
- 14) The Company had sanctioned a loan of ₹ 50 crore to M/s Kerala State Cooperative Hospital & Centre for Advanced Medical Sciences Ltd., against which ₹ 46.50 crore was disbursed to the agency. The account is in NPA since June 1999 and the company has already made full provision (100%) against the outstanding loan of ₹ 46.36 crore.

After prolonged litigation and finally as per directions of the Hon'ble High Court of Kerala, Govt. of Kerala vide Government Order (GO) dated 28<sup>th</sup> September, 2017 had approved the package for the settlement of dues of ₹ 266.48 crore to be paid in 8 installments from 30<sup>th</sup> June, 2017 to 31<sup>st</sup> March, 2019 together with interest thereon and has paid ₹ 116.16 crore till 31<sup>st</sup> March, 2018.

- 15) The Company had sanctioned and disbursed a loan of ₹ 100 crore to Himachal Sorang Power Pvt. Ltd. under Consortium Funding arrangement. The account has been classified as NPA since June, 2016 and the Company has made a provision of 25% on the outstanding loan of ₹ 82.50 crore as on 31<sup>st</sup> March, 2018.

As per the existing practice the valuation was required to be done in respect of loans & advances classified under "Doubtful" category, once during the period of 3 years. However, with the introduction of new valuation policy, the valuation is required to be done once in a year and accordingly, the valuation will be got done during the financial year 2018-19.

- 16) The Company had sanctioned and disbursed a loan of ₹ 75.07 crore to Maharaji Educational Trust. The account has been classified as NPA since March, 1997 and full provision has already been made against the outstanding loan of ₹ 74.26 crore as on 31<sup>st</sup> March, 2018. The total amount recoverable from the borrower as on 31<sup>st</sup> March, 2018 is ₹ 469.38 crore.

After prolonged litigation, the Company has been able to dispose a part of the mortgaged land at a consideration of ₹ 342 crore, out of which ₹ 25 crore was received in February, 2018 and balance amount of ₹ 317 crore on 25<sup>th</sup> May, 2018. The same will be booked as income in the FY 2018-19.

- 17) 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.



**NOTE 26 : (Contd.)**

18) DPE vide its O.M. dated 3<sup>rd</sup> August, 2017 had issued the guidelines for revision of the pay of the employees of the CPSEs effective from 1<sup>st</sup> January 2017. The revised pay scales of the employees of the Company have been implemented during the financial year 2017-18 consequent to receipt of Presidential Directive from MoHUA vide its letter dated 25<sup>th</sup> January, 2018.

19) The Company has adopted AS-15 (revised 2005) '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 AS 15, 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 assets of the Provident Fund and the accumulated members' corpus is ₹ 262.54 crore and ₹ 261.34 crore respectively (Previous Year ₹ 240.18 crore and ₹ 206.57 crore respectively). The fair value of the assets of the provident fund as at 31<sup>st</sup> March, 2018 is higher than the obligation under the Defined Contribution Plan. Accordingly, no provision is required to be made based on actuarial valuation during the year 2017-18.

The actuarial assumptions include discount rate of 7.60% (previous year 7.50%) and an average expected future period of 10.04 years (previous year 11.41 years). The Company recognized ₹ 8.68 crore (previous year ₹ 6.65 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:

	(₹ in crore)							
	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
	2017-18	2016-17	EL		HPL		2017-18	2016-17
<b>1. Component of Employer Expenses</b>								
a. Current Service Cost	1.80	1.37	1.13	1.05	0.38	0.35	4.50	4.19
b. Interest Cost	3.16	3.08	1.67	1.47	0.56	0.48	9.79	10.38
c. Past Service Cost	5.10	-	-	-	-	-	-	-
d. Unrecognized Past service cost	-	-	-	-	-	-	-	-
e. Expected return on plan assets	(3.47)	(3.35)	NA	NA	N.A.	N.A.	N.A.	N.A.
f. Actuarial (Gain) / Loss	(2.23)	(0.01)	7.84	0.12	0.01	0.06	(5.64)	(14.54)
g. Recognised in the Statement of Profit & Loss.	4.36 \$	1.09 \$	10.64	2.64	0.95	0.89	8.65	0.03

**NOTE 26 : (Contd.)**

(₹ in crore)

	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
	2017-18	2016-17	EL		HPL		2017-18	2016-17
			2017-18	2016-17	2017-18	2016-17		
<b>2. Net Asset / (Liability) recognised in Balance Sheet as at 31.03.2018</b>								
a. Present value of Obligation as at 31.03.2018	46.30	42.20	22.58	22.20	7.89	7.55	135.11	130.52
b. Fair Value of plan assets as at 31.03.2018	46.53	46.20	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
c. Liability / (Assets) recognised in Balance Sheet	(0.23)*	(4.00)*	22.58	22.20	7.89	7.55	135.11	130.52
<b>3. Change in present value of obligation as on 31.03.2018</b>								
Present Value of obligation as at 31.3.2017	42.20	39.50	22.20	21.75	7.55	7.14	130.52	133.07
Current service cost	1.80	1.37	1.13	1.05	0.38	0.35	4.50	4.19
Interest Cost	3.16	3.08	1.67	1.47	0.56	0.48	9.79	10.38
Past Service Cost	5.10	-	-	-	-	-	-	-
Unrecognized Past service cost	-	-	-	-	-	-	-	-
Actuarial (Gain) / Loss	(2.42)	0.27	7.84	0.12	0.01	0.06	(5.64)	(14.54)
Benefits Paid	(3.54)	(2.02)	(10.26)	(2.19)	(0.61)	(0.48)	(4.06)	(2.58)
Present Value of obligation as at 31.03.2018	46.30	42.20	22.58	22.20	7.89	7.55	135.11	130.52
<b>4. Change in the Fair Value of Plan Assets</b>								
Present value of plan assets as on 31.3.2017	46.20	44.69	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Expected return on Plan Assets	3.47	3.35	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Actual company Contribution	0.50	0.16	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Benefits Paid	(3.45)	(2.02)	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Actuarial Gain / (Loss)	(0.19)	0.02	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Fair Value of Plan Assets as at 31.03.2018	46.53	46.20	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Actual Return on plan assets	3.28	3.63	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
<b>5. Actuarial Assumptions</b>								
Discount Rate (p.a.) (%)	7.60	7.50	7.60	7.50	7.60	7.50	7.60	7.50
Expected rate of returns on plan assets (p.a.) (%)	7.60	7.50	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
<b>6. Details of the Plan Assets at cost as on 31.03.2018</b>								
Government of India Securities, Corporate Bonds etc.	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#	N.A.#
Gratuity Fund Managed by Insurer	100%	100%						

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

**NOTE 26 : (Contd.)**

- \$ 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 Assets of ₹ 0.23 crore (previous year ₹ 4.00 crore) on Gratuity has not been recognised in the Balance Sheet, since the fair value of plan assets is more than the present value of defined benefit obligations as on 31.03.2018.

**20) Details of Short Term and Long Term Provisions**

(₹ in crore)

S. No.	Particulars	Opening Balance	Additions During the year	Paid/ Adjusted during the year	Closing Balance
<b>A</b>	<b>Provision for employees benefit</b>				
(i)	Leave encashment	29.75	11.59	10.87	30.47
	Previous Year	28.88	3.53	2.66	29.75
(ii)	Post-retirement medical benefit	130.52	8.64	4.06	135.1
	Previous Year	133.07	0.04	2.59	130.52
(iii)	Welfare expenses	1.17	0.71	0.12	1.76
	Previous Year	1.13	0.14	0.10	1.17
(iv)	Leave travel concession	7.10	0.00	7.10	0.00
	Previous Year	6.85	5.23	4.98	7.10
<b>B</b>	<b>Others</b>				
(i)	Provision for Income Tax	389.80	441.15	389.80	441.15
	Previous Year	315.85	389.80	315.85	389.80
(ii)	Proposed Final Dividend	0.00	0.00	0.00	0.00
	Previous Year	100.01	0.00	100.01	0.00
(iii)	Dividend Tax	0.00	0.00	0.00	0.00
	Previous Year	20.36	0.00	20.36	0.00
<b>C</b>	<b>Provisions on Loans</b>				
(i)	Contingent Provisions for Standard Assets as per NHB norms	173.56	66.47	0.00	240.03
	Previous Year	148.79	24.77	0.00	173.56
(ii)	Provision on Loans other than Standard	1952.71	500.13	0.00	2452.84
	Previous Year	1681.06	271.65	0.00	1952.71
<b>D</b>	<b>Corporate Social Responsibilities (CSR)</b>	5.42	0.00	0.60	4.82
	Previous Year	6.82	0.00	1.40	5.42
<b>E</b>	<b>Provisions on Investment/ Advances/ Debtors/ Staff Advances/ against disputed service tax paid</b>				
(i)	Provisions on Investment	3.13	0.01	0.00	3.14
	Previous Year	3.39	0.00	0.26	3.13
(ii)	Contingent Provisions for Standard Assets as per NHB norms- Unquoted Bonds	0.00	1.08	0.00	1.08
	Previous Year	0.00	0.00	0.00	0.00
(iii)	Provision on staff advances	0.09	0.00	0.00	0.09
	Previous Year	0.09	0.00	0.00	0.09
(iv)	Provision on Advances	0.64	0.09	0.00	0.73
	Previous Year	0.45	0.19	0.00	0.64
(v)	Provision on Doubtful Debts	16.28	0.02	0.00	16.30
	Previous Year	16.24	0.04	0.00	16.28
(vi)	Provision against disputed service tax paid	2.49	0.00	0.00	2.49
	Previous Year	2.49	0.00	0.00	2.49

- 21) The amount of ₹ 66.56 crore available in Welfare Reserve as on 1<sup>st</sup> April, 2015 was invested in Fixed Deposit in the name of the Company during the year 2015-16, pending operationalization of approved guidelines. The said Fixed Deposit got matured in August 2017 and the amount has been utilized for HUDCO's operations.

**NOTE 26 : (Contd.)**

22) National Housing Bank's Credit Concentration Norms states that a Housing Finance company's agency wise exposure should not exceed 15% of its Net Owned Funds. Further, as per NHB's circular dated 21.03.13, investment of a Housing Finance Company (HFC) in the shares of another HFC shall not exceed 15% of the Equity Capital of the investee company.

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) 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 dated 1<sup>st</sup> August, 2017 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. Now, Board of Indian Bank has accorded approval for revival of IBHL and a road map was drawn to make IBHL a viable company by Deep Restructuring of term loan, Conversion of entire restructured term loan in to non-cumulative CCPS, Extending line of credit to IBHL as a hand holding measure and Rights issue of share to the existing shareholders of IBHL.

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

<b>NHB's Letter No.</b>	<b>Relaxation</b>	<b>Remarks</b>
NHB/ ND/ HFC/ DRS/ 3792/ 2011 dated 05.04.2011	For lending upto 50% of its Net Owned Fund (NOF) to the Government Agencies (under individual borrower exposure) only for housing and housing related infrastructure and upto 100% of its NOF to the individual State Governments (under group exposure).	The permission will not be applicable in respect of HUDCO's lending to builders, private parties and cooperatives, in respect of whom, the extant provisions of the Directions will continue to apply.
NHB/ ND/ SUP/ 6682/ 2014 dated 16.05.2014	For housing and housing related activities for Government/ Public agencies permitted upto 75% of its Net Owned Funds for individual exposure, and 150% of its Net Owned Funds for group exposure in respect of four states namely Andhra Pradesh, Rajasthan, Karnataka and Tamil Nadu.	Also granted permission for other than housing and housing related activities for Government/ Public agencies permitted upto 20% of its Net Owned Funds for individual exposure.
NHB/ ND/ DRS/ SUP/ 5744/ 2015 dated 08.06.2015	Permitted Company's group exposure limit upto 150% of its Net Owned Funds for housing and housing related activities for Government/ Public agencies in respect of newly formed State of Telangana.	
NHB/ ND/ DRS/ SUP/ 7416/ 2016 dated 24.08.2016	Permitted Company's group exposure limit of upto 200% of its Net Owned Funds in respect of States of Telangana and Madhya Pradesh each.	
NHB/ ND/ SUP/ 2234/ 2017 dated 06.03.2017	Granted special dispensation for treating the loan extended to Sikkim Industrial Development & Investment corporation Ltd. (SIDICO) as standard asset subject to the agency being regular in repayment of dues and there being no default.	The Company has to create provision of 5% on the outstanding loan amount in first two years.
NHB/ ND/ SUP/ 2235/ 2017 dated 06.03.2017	Permitted for housing and housing related activities for Government/ Public agencies up-to 100% of its Net Owned Funds for individual exposure, in respect of states of Telangana and Madhya Pradesh and; For other than housing and housing related activities for Government/ Public agencies up-to 30% of its Net Owned Funds for Individual exposures.	The permission is subject to the exposures being guaranteed by the State Government and ensuring that the State's borrowings are within FRBM limits.
NHB(ND)/ DRS/ SUP/ 7978/ 2017 dated 03.08.2017	Granted special dispensation for treating the loan extended to Bihar State Power Generation Company Ltd. as standard asset subject to the agency being regular in repayment of dues and there being no default.	The Company has to create provision of 5% on the outstanding loan amount in first two years from the date of restructuring.

**NOTE 26 : (Contd.)**

NHB vide its letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 02.04.2018 capped the credit concentration (Exposure) limit Government/Public agencies as follows:

- a) The individual exposure limit of HUDCO to Government/ Public Agencies (inclusive of the above 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 matter was placed before the Board of Directors of HUDCO in its 594<sup>th</sup> meeting held on 19<sup>th</sup> April, 2018 and directed that "in view of the commitment already made by HUDCO to the various borrowing agencies by sanctioning of particularly in the States of Andhra Pradesh, Telangana, Uttar Pradesh and Madhya Pradesh, NHB be again requested to expeditiously review its decision communicated vide its letter dated 2<sup>nd</sup> 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/ 5355/2018 dated 21<sup>st</sup> May, 2018 informed that the request of HUDCO for restoration of exposure norms permitted to the Company prior to the revisions advised vide letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 2<sup>nd</sup> April, 2018 is under examination at our end.

**23) Valuation of investment**

- a) 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 31.03.2018 is ₹ 45.35 per share (previous year ₹ 28.05 per share), HUDCO continues to reflect the investment of ₹ 2.50 crore in IBHL at diminished value of ₹ 1 only (since the FY 2006-07) as on 31.03.2018.
- b) The Company had invested in 1 lac equity shares, amounting to ₹ 0.10 crore, in the Sri K.P.R. Industries Ltd. (erstwhile, Bhagyanagar Wood Plast Ltd.) around 20 years back. The market price of share of the company is ₹ 28.00 per share as on 31<sup>st</sup> March, 2018 (previous year ₹ 22.55 per share). Considering the meager volume of trading in the share of the company, HUDCO has not revised the provision of ₹ 0.03 crore made in the earlier years.

**24) Details of Registration Number obtained from financial sector regulators:**

S. No.	Particulars	Registration Number
a.	Ministry of Corporate Affairs	CIN : L74899DL1970GOI005276
b.	National Housing Bank (NHB)	01.0016.01 *

\* NHB has granted status of Housing Finance Company (HFC) to HUDCO on 31<sup>st</sup> July, 2001. The Company is operating in India and does not have any subsidiary including overseas subsidiary.

- 25) 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 5<sup>th</sup> 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 ₹ 0.37 crore as on 31<sup>st</sup> March, 2018 (previous year ₹ 0.20 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.
- 26) 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.
- 27) 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, there are no separate reportable segments, as per the Accounting Standard on 'Segment Reporting' (AS 17) and as revised thereon.

**NOTE 26 : (Contd.)**

- 28) Provision of Impairment loss as required under Accounting Standard AS-28 "Impairment of Assets" is complied with. In the opinion of management, there is no impairment of assets during the year.
- 29) The Company makes full provision on doubtful debtors/ receivables and advances which are outstanding for more than three years.
- 30) The Company has paid an interim dividend of ₹ 110.10 crore at the rate of ₹ 0.55 per share of ₹ 10/- each, to its shareholders, during the year 2017-18 after approval of the HUDCO Board in its meeting held on 28<sup>th</sup> February, 2018.
- 31) The Company has taken various office premises on cancellable operating lease basis for periods which range from 1 to 30 years or for any other longer period 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. 24 of the Statement of Profit & Loss. Further, there is no financial lease as Company's leasing arrangement does not transfer substantially all other risks & rewards incidental to the ownership of an asset.

**32) Details of Expenditure / Earnings in foreign currency :**

(₹ in crore)

Particulars	2017-18	2016-17
<b>Expenditure</b>		
a) Travelling	0.08	0.04
b) Interest on foreign loan	5.80	6.00
c) Others	0.16	0.02
<b>Total Expenditure</b>	<b>6.04</b>	<b>6.06</b>
<b>Earnings</b>		
a) Interest on overseas deposit	2.32	2.02

**33) 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	2017-18	2016-17
Net Profit for the period attributable to equity shareholders (₹ in crore) (a)	799.06	841.81
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)	3.99	4.21

**34) The Company makes provision on loans as per NHB norms as stated here under:-**

(i) Loss Assets:	The entire assets shall be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstanding shall be provided for.	
(ii) Doubtful Assets:	A term loan which remains a sub-standard asset for a period exceeding twelve months.	
	a) 100% provision to the extent to which the advance is not covered by the realisable value of the security to which the housing finance company has a valid recourse shall be made. The realisable value is to be estimated on a realistic basis;	
	b) in addition to item (a) above, depending upon the period for which the asset has remained doubtful, provision to the extent of 25% to 100% of the secured portion (i.e. estimated realisable value of the outstanding) shall be made on the following basis:-	
	Period for which the asset has been considered as doubtful	% of Provision
	Up to one year	25
One to three years	40	
More than three years	100	

**NOTE 26 : (Contd.)**

(iii) Sub-standard Assets:	An asset, which has been classified as non-performing asset for a period not exceeding twelve months or an asset, where the terms of agreement regarding interest and/or principal have been re-negotiated or rescheduled after release of any installment of loan until the expiry of one year of satisfactory performance under the renegotiated or rescheduled terms. A general provision of 15% of total outstanding shall be made.
(iv) Standard Assets	
(a) Standard Assets in respect of housing loans at teaser/special rates i.e. housing loans at comparatively lower rates of interest in the first few years after which rates are re-set at higher rates.	2% provision on the total outstanding amount of such loans. The provisioning of these loans to be re-set after one year at the applicable rates from the date on which the rates are re-set at higher rates if the accounts remain 'standard'.
(b) (i) Standard Assets in respect of Commercial Real Estates (Residential Housing)	0.75% on the total outstanding amount of such loans
(ii) Standard Assets in respect of all other Commercial Real Estates (CRE)	1.00% on the total outstanding amount of such loans
(c) Standard Assets in respect of all loans other than (a) & (b) above	A general provision of 0.4% of the total outstanding amount of loans which are standard assets shall be made.

Non-performing asset ("NPA") means: (i) an asset, in respect of which, interest has remained overdue for a period of more than ninety days. (ii) a term loan inclusive of unpaid interest, when the instalment is overdue for a period of more than ninety days or on which interest amount remained overdue for a period of more than ninety days. Interest on loans assets classified as NPA is recognised only on actual receipt.

35) 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.

36) In the opinion of the management, the current assets, loans and advances appearing in the balance sheet have a value equivalent to the amount stated therein if realized during the ordinary course of business and all known liabilities have been provided.

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

**(a) Loans and Advances**

(₹ in crore)

Breakup of Loan & Advances and Provisions there on	Housing		Non-Housing	
	2017-18	2016-17	2017-18	2016-17
<b>Standard Assets</b>				
a) Total Outstanding Amount	15826.83	12473.00	30852.82	24806.45
b) Provisions made	71.64	59.03	168.39	114.54
<b>Sub-Standard Assets</b>				
a) Total Outstanding Amount	2.81	2.59	473.01	82.50
b) Provisions made	0.42	0.39	70.95	12.37
<b>Doubtful Assets–Category-I</b>				
a) Total Outstanding Amount	0.38	64.53	82.50	682.21
b) Provisions made	0.10	16.14	20.63	170.55
<b>Doubtful Assets–Category-II</b>				
a) Total Outstanding Amount	66.78	28.96	821.45	436.29
b) Provisions made	31.52	11.58	364.70	322.53

**NOTE 26 : (Contd.)**

(₹ in crore)

Breakup of Loan & Advances and Provisions there on	Housing		Non-Housing	
	2017-18	2016-17	2017-18	2016-17
<b>Doubtful Assets–Category-III</b>				
a) Total Outstanding Amount	199.33	249.97	1455.28	854.67
b) Provisions made	199.33	249.97	1455.28	854.67
<b>Loss Assets</b>				
a) Total Outstanding Amount	22.14	25.61	3.77	3.77
b) Provisions made	22.14	25.61	3.77	3.77
<b>TOTAL</b>				
a) Total Outstanding Amount	16118.27	12807.61	33688.83	26858.06
b) Provisions made	325.15	325.67	2083.72	1470.60
c) Additional Provision made	20.00	20.00	264.00	310.00
d) Total Provision made	345.15	345.67	2347.72	1780.60

**Note:**

- The total outstanding amount mean principal + accrued interest + other charges pertaining to loans without netting off.
- The Category of Doubtful Assets is as under

Period for which assets have been considered as Doubtful	Category
Upto One year	Category - I
One to three years	Category - II
More than three years	Category - III

**(b) Investments:**

(₹ in crore)

Particulars	Principal outstanding		Provision as per Norms	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Equity Shares	49.52	49.52	3.00	3.00
Equity Shares - Joint Venture	2.14	2.14	0.14	0.13
Infrastructure Debt Fund	50.00	50.00	-	-
Bonds	270.00	270.00	1.08 *	-
<b>Total</b>	<b>371.66</b>	<b>371.66</b>	<b>4.22</b>	<b>3.13</b>

\* Provision @ 0.4% on unquoted Bonds of ₹ 270 crore of A P Power Finance Corporation Ltd., being Standard Assets. As per NHB Directions 2010, Unquoted debentures is treated as term loans or other type of credit facilities depending upon the tenure of such debentures for the purpose of income recognition and asset classification.

**38) Exit from JV Companies:**
**(a) Signa Infrastructure India Ltd. (SIIL)**

HUDCO Board has approved the exit from the Joint Venture Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the JV 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 JV Partner to purchase HUDCO shares in SIIL. The same is under consideration of the JV partner. HUDCO is regularly pursuing with them to sort out the issue.

**(b) Pragati Social Infrastructure & Development Ltd.**

HUDCO Board has approved the exit from the Joint Venture 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).



**NOTE 26 : (Contd.)**

**(c) Shristi Urban Infrastructure Development Ltd.**

HUDCO Board has approved the exit from the Joint Venture Company (Shristi Urban Infrastructure Development Ltd.-SUIDL) with Shristi Infrastructure Development Corporation Ltd. In pursuance of the Board's approval, the valuer was appointed by the JV Company i.e. SUIDL and has submitted the valuation report. The valuation report furnished by the valuer is under consideration by the Company.

**39) Related parties Disclosure :**

**(a) Joint Ventures**

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

**(b) Key Management Personnel during the year 2017-2018 :**

Sl. No.	Director(s)	Status
1.	Dr. M. Ravi Kanth	Chairman & Managing Director (CMD) (Whole time Director) (from 11.4.2014)
2.	Shri N. L. Manjoka	Director Corporate Planning (DCP) (Whole time Director) (from 11.04.2013) Term extended up-to 30.11.2018
3.	Shri Rakesh Kumar Arora	Director Finance (DF) (Whole time Director) (from 01.10.2015)
4.	Shri Harish Kumar Sharma	Company Secretary (CS) (from 06.11.2013)

**(c) Transactions with Joint Ventures:**

**(i) Investment in Joint Venture**

(₹ in crore)

Proportion of ownership	40%		26%		Total
	Shristi Urban Infrastructure Development Ltd.	Pragati Social Infrastructure & Development Ltd.	Signa Infrastructure India Ltd.		
<b>Nature of Transactions</b>					
<b>Investments</b>					
Opening Balance as at 01.04.2017	2.00	0.13	0.01		2.14
Additions during the year	-	-	-		-
Deductions during the year	-	-	-		-
<b>Balance as at 31.03.2018</b>	<b>2.00</b>	<b>0.13</b>	<b>0.01</b>		<b>2.14</b>

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

- (i) Shri N. L. Manjoka, Director Corporate Planning has taken a vehicle loan of ₹ 0.03 crore (interest bearing) from the Company in January, 2014, in the ordinary course of business. The service of providing such loans is extended by the Company to all of its employees. The balance outstanding as on 31<sup>st</sup> March, 2018 is ₹ 0.0005 crore including interest accrued ₹ 0.0005 crore (maximum outstanding is ₹ 0.02 crore during the year 2017-18).

Shri N. L. Manjoka, Director Corporate Planning has also taken a festival loan of ₹ 0.0084 crore (interest free) from the Company in April, 2017, 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<sup>st</sup> March, 2018 is ₹ Nil (maximum outstanding is ₹ 0.0084 crore during the year 2017-18).

- (ii) Shri Rakesh Kumar Arora, Director Finance, has taken a vehicle loan of ₹ 0.08 crore (interest bearing) from the Company in April, 2017, 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<sup>st</sup> March, 2018 is ₹ 0.05 crore including interest accrued ₹ 0.0028 crore (maximum outstanding is ₹ 0.08 crore during the year 2017-18).

**NOTE 26 : (Contd.)**

- (iii) Shri. Harish Sharma, Company Secretary has taken a House Building Advance 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 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<sup>st</sup> March, 2018 is ₹ 0.18 crore including interest accrued ₹ 0.0071 crore (maximum outstanding is ₹ 0.18 crore during the year 2017-18).

**(e) Managerial Remuneration :**

(₹ in crore)

Particulars	Dr. M. Ravi Kanth, CMD		Shri N. L. Manjoka, DCP		Shri Rakesh Kumar Arora, DF		Shri Harish Kumar Sharma, CS	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Salaries	0.29	0.24	0.30	0.24	0.28	0.20	0.15	0.12
Contribution to PF	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.01
Perquisites and other allowances	0.40	0.44	0.38	0.20	0.25	0.12	0.13	0.11
<b>Total</b>	<b>0.72</b>	<b>0.71</b>	<b>0.71</b>	<b>0.47</b>	<b>0.56</b>	<b>0.34</b>	<b>0.30</b>	<b>0.24</b>

- (f) As per DPE letter dated 21<sup>st</sup> 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.

**40) Information in relation to the interest of the company in Associates as required under AS – 23.**
**a) Details of Associates**

Name of the company	Contribution towards equity (₹ in crore)	Country of Residence	Proportion of ownership
Indbank Housing Ltd.	2.50	India	25%
<b>Total</b>	<b>2.50</b>		

**b) Share in Net Assets and Income:**

Information in respect of Investments in Associate entity namely Indbank Housing Limited has not been incorporated as HUDCO has provided for full diminution in the value of investment.

**41) Information in relation to the interest of the company in Joint Ventures as required under AS – 27.**
**a) Details of Joint Ventures**

Name of the company	Contribution towards equity (₹ in crore)	Country of Residence	Proportion of ownership	Description of Interest
Shristi Urban Infrastructure Development Ltd.	2.00	India	40%	Jointly controlled entity
Pragati Social Infrastructure & Development Ltd.	0.13	India	26%	Jointly controlled entity
Signa Infrastructure India Ltd.	0.01	India	26%	Jointly controlled entity
<b>Total</b>	<b>2.14</b>			

**b) The Company's share in the Assets & Liabilities, Contingent Liabilities and Capital Commitment as at 31.03.2018 and Income & Expenditure for the year 2017-18:**

(₹ in lakhs)

Year ended	Shristi Urban Infrastructure Development Ltd.	
	2017-18 (Unaudited)	2016-17 (Audited)
<b>Fixed Assets</b>	<b>1200.52</b>	1158.48
<b>Investments</b>	-	-
<b>Deferred Tax Assets</b>	<b>0.65</b>	0.44
<b>Other Non-Current Assets and Loans &amp; Advances</b>	<b>624.35</b>	623.86
<b>Current Assets, Loans and Advances</b>	<b>225.60</b>	221.95

**NOTE 26 : (Contd.)**

(₹ in lakhs)

Year ended	Shristi Urban Infrastructure Development Ltd.	
	2017-18 (Unaudited)	2016-17 (Audited)
Statement of Profit & Loss (Debit Balance)	-	-
Share of Total Assets	2051.11	2004.72
Reserves & Surplus	(70.54)	(43.22)
Minority Interest	78.00	78.00
Current Liabilities and Provisions	384.16	320.84
Loans Funds and Long term provisions	1268.00	1257.62
Deferred Tax Liabilities	-	-
Share of Total Liabilities (excluding Reserves & Surplus)	1730.16	1656.46
Operations Income	21.00	-
Other Income	0.08	0.40
Total Income	21.08	0.40
Share of Expenses	48.40	33.58
HUDCO's share in contingent liability of JV Co.	8.03	8.03
Capital Commitment	4929.14	4929.14

Information in respect of Investment in Joint Venture namely Pragati Social Infrastructure & Development Ltd. has not been incorporated as HUDCO has decided to exit from the JV and has provided for full diminution in the value of investment.

Further, Information in respect of Investment in Joint Venture namely M/s. Signa Infrastructure India Ltd. has not been incorporated as HUDCO has decided to exit from the JV and has provided for full diminution in the value of investment.

- 42) (a) The Company has formulated a CSR Policy in line with the guidelines issued by Department of Public Enterprises (DPE) vide its Office Memorandum No. CSR- 15/0008/2014-Dir (CSR) dated 1<sup>st</sup> 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, HUDCO's Board approved allocation for CSR Budget for the FY 2017-18, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹ 22.89 crore.

(₹ in crore)

Sl. No.	Particulars	Amount			
		2017-18		2016-17	
1.	Gross Amount of CSR required to be spent	22.89		22.36	
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	12.29	-	4.29	-

As per HUDCO's approved CSR Policy, 1<sup>st</sup> installment of CSR assistance is released on completion of documentation and the subsequent installments are released on receipt of utilization certificate and after achieving physical/ financial progress in the proposal. 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 1<sup>st</sup> installment could not be released, as envisaged. In some of the cases, the agencies concerned could not achieve required physical/ financial progress and the utilisation certificate for the CSR assistance released was not submitted by agencies. These factors result in delay/ time gap in incurring CSR expenditure.

- (b) The Company has formulated a Research & Development (R&D) Policy in line with the guidelines issued by the Department of Public Enterprises vide Office Memorandum No. 3(9)/ 2010-DPE (MoU) dated 20.09.2011.

As per the R&D guidelines of DPE, a minimum of 0.5% of PAT of the previous year has to be allocated for R&D projects / activities, accordingly, an amount of ₹ 4.21 crore for the FY 2017-18 has been earmarked. During the financial year 2017-18, an amount of ₹ 1.04 crore has been spent on R&D activities and balance amount of ₹ 3.17 crore has been kept as non-lapsable budget.

**NOTE 26 : (Contd.)**
**43) Additional Disclosure requirement as per NHB Directions**
**a) Capital to Risk Assets Ratio (CRAR)**

	Particulars	31.3.2018	31.3.2017
i)	CRAR (%)	52.38	58.55
ii)	CRAR - Tier I capital (%)	51.13	58.55
iii)	CRAR - Tier II Capital (%)	1.25	-
iv)	Amount of subordinated debt raised as Tier- II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

\*Based on the provisional Capital adequacy return submitted to NHB

**b) Reserve Fund u/s 29C of NHB Act, 1987**

(₹ in crore)

Particulars	2017-18	2016-17
<b>Balance at the beginning of the year</b>		
(a) Statutory Reserve u/s 29C of the National Housing Bank 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	3716.59	3603.80
<b>(c) Total</b>	<b>3716.59</b>	<b>3603.80</b>
<b>Addition / Appropriation / Withdrawal during the year</b>		
<b>Add:</b>		
(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	321.64	284.50
<b>Less:</b>		
(a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987		
(b) Amount withdrawn from the Special Reserve u/s 36(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	193.04	171.71
<b>Balance at the end of the year</b>		
(a) Statutory Reserve u/s 29C of the National Housing Bank 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	3845.19	3716.59
<b>(c) Total</b>	<b>3845.19</b>	<b>3716.59</b>

**NOTE 26 : (Contd.)**

**c) Investments**

(₹ in crore)

Particulars	2017-18	2016-17
<b>3.5.1. Value of Investments</b>		
<b>(i) Gross value of Investments</b>		
(a) In India	371.66	371.66
(b) Outside India	-	-
<b>(ii) Provisions for Depreciation</b>		
(a) In India	3.14	3.13
(b) Outside India	-	-
<b>(iii) Net value of Investments</b>		
(a) In India	368.52	368.53
(b) Outside India	-	-
<b>3.5.2. Movement of provisions held towards depreciation on investments</b>		
(i) Opening balance	3.13	3.39
(ii) Add: Provisions made during the year	0.01	-
(iii) Less: Write-off / Written-bank of excess provisions during the year	-	0.26
(iv) Closing balance	3.14	3.13

**d) Derivatives:**

**i) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS) \* #**

Particulars	2017-18	2016-17
(i) The notional principal of swap agreements	600.16	NIL
(ii) Losses which would be incurred if counter parties failed to fulfill their obligations under the agreements	8.81	NIL
(iii) Collateral required by the HFC upon entering into swaps	NIL	NIL
(iv) Concentration of credit risk arising from the swaps	\$	NIL
(v) The fair value of the swap book @	8.81	NIL

**Note:**

\$ HUDCO has entered into swap agreements with Authorized Dealers Banks. All the swap agreements entered into with banks are well with-in the maximum exposure hedging limit as approved by the HUDCO Board.

@ Mark-to-Market Value

\* The above details are in respect of Coupon only Swap entered into by the Company for FCTL/ FCNR(B) loan(s) availed from Axis Bank and ICICI Bank.

# Forward contracts entered into with Punjab National Bank have not been considered as Forward Rate Agreement.

**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 31 <sup>st</sup> March 2018 (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

**NOTE 26 : (Contd.)**
**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. These are accounted for on accrual basis and are not marked to market as per accounting policy. The mark to market positions mentioned is those as informed by the counterparties.

c) Reference may be drawn to s.no. 9 to Note 1 Significant Accounting Policies for relevant accounting policy on foreign exchange transactions.

**B. Quantitative Disclosure**

(₹ in crore)

Particulars	Currency Derivatives *	Interest Rate Derivatives **
(i) Derivatives (Notional Principal Amount)	2120.18	600.16
(ii) Marked to Market Positions [1] ***		
(a) Assets (+)	44.62	9.79
(b) Liability (-)	-	0.98
(iii) Credit Exposure [2]	2120.18	600.16
(iv) Unhedged Exposures	183.69	-

\* 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 Principal only Swap (PoS) entered into by the Company in respect of FCTL(s) availed from Axis Bank, FCNR(B) loan availed from ICICI Bank, Forward contracts entered into with Punjab National Bank and Full Currency Swap entered into with SBI in respect of USAID-II loan have been considered as Currency Derivatives.

\*\* Includes Coupon only Swap in respect of FCTL/ FCNR(B) loan(s) availed from Axis Bank and ICICI Bank.

\*\*\* The mark to market positions mentioned above are those as informed by the counterparties.

**NOTE 26 : (Contd.)****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 securitisation transactions*	NIL
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	
	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	

**ii) Details of Financial Assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction**

Particulars	2017-18	2016-17
(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**

Particulars	2017-18	2016-17
(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**

Particulars	2017-18	2016-17
1. No. of accounts sold	NIL	NIL
2. Aggregate outstanding	NIL	NIL
3. Aggregate consideration received	NIL	NIL

**NOTE 26 : (Contd.)**
**f) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)**

(₹ in crore)

Particulars	Up to 30/31 days (one month)	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 Years	Total
<b>Liabilities</b>											
Deposits	25.98	30.41	39.47	123.01	212.86	190.70	3.32	0.84	-	-	626.59
Borrowings from Bank	2,514.77	-	5.02	150.26	293.24	973.55	651.65	591.87	447.88	-	5,628.24
Market Borrowing	700.00	2,500.00	3.30	-	-	6,899.95	4,521.82	1,641.67	5,714.61	6,657.77	28,639.12
Foreign Currency Liabilities	-	-	518.14	1,017.36	636.23	146.11	132.78	17.86	26.05	19.53	2,514.06
<b>Assets</b>											
Advances	66.96	924.69	134.05	1,076.29	2,243.44	10,979.39	10,130.51	8,684.60	8,671.35	4,166.11	47,077.39
Investments	-	-	-	-	-	270.00	-	-	-	98.53	368.53
Foreign Currency Assets	-	-	10.88	-	-	48.48	40.48	-	-	-	111.06

**g) Exposure**
**i) Exposure to Real Estate Sector**

(₹ in crore)

Category		2017-18	2016-17
<b>a)</b>	<b>Direct Exposure</b>		
(i)	<b>Residential Mortgages -</b>		
	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 30 lakh may be shown separately)	117.24	121.54
(ii)	<b>Commercial Real Estate -</b>		
	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	1483.40	1694.67
(iii)	<b>Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b>		
	a) Residential	--	--
	b) Commercial Real Estate	--	--
<b>b)</b>	<b>Indirect Exposure</b>		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	200.00	463.73



**NOTE 26 : (Contd.)**

**ii) Exposure to Capital Market**

(₹ in crore)

Particulars	2017-18	2016-17
(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 (Net of Provisions);	48.52	48.53
(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 stockbrokers and market makers;	NIL	NIL
(vi) Loans sanctioned to corporates 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
<b>Total Exposure to Capital Market</b>	<b>48.52</b>	<b>48.53</b>

**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**

The domestic debt instrument of HUDCO continued "AAA" rating – the highest rating on Standalone basis assigned by the three credit rating agencies namely M/s India Ratings and Research Private Ltd, M/s CARE Ratings and ICRA Ratings.

**j) Change in accounting policies**

During the year 2017-18, nine of the accounting policies have been modified wherein some clarificatory changes have been made and a new accounting policy on 'Use of Estimates' has been incorporated as per following details:

**NOTE 26 : (Contd.)**

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks with Financial Impact, if any
<b>1.</b>	<b>Basis of Preparation of Financial Statements</b>		
a)	<b>Accounting Convention</b>		
	The accounts of the Company have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India unless otherwise stated, the provisions of the Companies Act 2013, the accounting standards issued by the Institute of Chartered Accountants of India/ Companies (Accounting Standard) Rules, 2014 and the Housing Finance Companies (NHB) Directions, 2010 issued by National Housing Bank (NHB) as adopted consistently by the Company, as amended and applicable from time to time.	The accounts of the Company have been prepared under the historical cost convention on accrual basis in accordance with generally accepted accounting principles in India unless otherwise stated, the provisions of the Companies Act 2013, the accounting standards issued by the Institute of Chartered Accountants of India/ Companies (Accounting Standard) Rules, 2014 and the Housing Finance Companies (NHB) Directions, 2010 issued by National Housing Bank (NHB) as adopted consistently by the Company, as amended and applicable from time to time.	Clarificatory change with no financial impact.
b)	<b>Use of estimates</b>		
	No policy	The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statement are prudent and reasonable. The future results (actuals) could differ from these estimates. The difference between the actual results and estimates are recognized in the periods in which the results materialize.	New accounting policy only clarificatory with no financial impact.
<b>2.</b>	<b>Borrowing Cost</b>		
	The ancillary cost of raising the borrowings namely brokerage charges, arranger's fees, stamp duty etc. are treated as expenditure in the financial year in which they are incurred.	Borrowing costs are interest and other cost incurred by the Company in connection with the borrowing of funds. Interest expenditure on borrowings is recognized on accrual basis. The ancillary cost of raising borrowings is recognized as expenditure in the financial year in which they are incurred. However, the discount/ interest on commercial paper are amortized proportionately over its tenure.	Clarificatory change with no financial impact.
<b>3.</b>	<b>Fixed Assets and Depreciation</b>		
	Tangible Assets		
	(a) Depreciation is provided over the useful life of the asset 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 01.04.2014.	(a) Depreciation is provided over the useful life of the assets as per Schedule-II of Companies Act, 2013, except in the case of air conditioners and coolers wherein useful life has been taken as ten years and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as residual value.	The said change has resulted in an increase in depreciation for the year by ₹ 0.01 crore.

**NOTE 26 : (Contd.)**

<b>S. No.</b>	<b>Existing Accounting Policy</b>	<b>Proposed Accounting Policy</b>	<b>Remarks with Financial Impact, if any</b>
<b>4.</b>	<b>Investments</b>		
	(a) Investments are carried at cost. A provision for diminution is made to recognize a decline, other than temporary in the value of long term investments as per Accounting Standard AS-13 "Accounting for Investments" issued by the Institute of Chartered Accountants of India and the guidelines issued by the NHB.	(a) Investments are classified as Current Investment and Long term Investment. Investments are carried at cost. A provision for diminution is made to recognize a decline, other than temporary in the value of investments as per Accounting Standard AS-13 "Accounting for Investments" issued by the Institute of Chartered Accountants of India and the guidelines issued by the NHB.	Clarificatory change with no financial impact.
<b>5.</b>	<b>Foreign Exchange Transactions</b>		
	(a) Monetary Assets and liabilities denominated in foreign currencies are restated at the exchange rate (RBI reference rate) as on the date of Balance Sheet except in respect of transactions where forward rate contract is taken.	(a) Monetary Assets and liabilities denominated in foreign currencies are restated at the exchange rate (RBI reference rate) as on the date of Balance Sheet except in respect of transactions where forward rate contract or another financial instrument that is in substance a forward exchange contract (viz. Full Currency Swap/ Principal only Swap, etc.) is taken. The foreign currency liabilities swapped into Indian Rupees are stated at the reference rates fixed in the swap transactions and not translated at the year-end rate.	Clarificatory change with no financial impact.
	(b) In respect of forward exchange contracts, other than for trading or speculation purposes, the difference between the forward rate and the rate (RBI reference rate) at the date of transaction is recognized as income or expense over the life of the forward exchange contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the year.	(b) In respect of forward exchange contracts, other than for trading or speculation purposes, the difference between the forward rate and the rate (RBI reference rate) at the date of transaction is recognized as income or expense over the life of the forward exchange contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or expense for the year as per AS 11.	Clarificatory change with no financial impact.
<b>6.</b>	<b>Employees Benefits</b>		
	(a) The Corporation's obligation towards sick leave, earned leave, leave travel concession, gift on completion of 20 / 30 years of service & retirement gift are actuarially determined and provided for as per AS-15 (Revised) Employee Benefits.	(a) The Corporation's obligation towards sick leave, earned leave, gift on completion of 20/ 25/ 30/ 32 years of service & retirement gift are actuarially determined and provided for as per AS-15 (Revised) Employee Benefits.	The change in updation of period of service for gift is clarificatory in nature.

**NOTE 26 : (Contd.)**

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks with Financial Impact, if any
			<p>The change of not getting the actuarial valuation of LTC, has been warranted due to the revision of pay scales on account of implementation of the 3<sup>rd</sup> pay committee report, where in the LTC is one of the optional perk and not a mandatory perk. Due to the above, the liability of ₹ 7.10 crore as on 31<sup>st</sup> March, 2017 on the basis of Actuarial Valuation has been written back in the books of Accounts. This has led to an impact of decrease in expenditure of ₹ 7.10 crore.</p>
7.	<b>Taxation</b>		
	(a) Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to tax authorities in accordance with the Indian Income Tax Act.	(a) Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to tax authorities in accordance with the Indian Income Tax Act, 1961.	Clarificatory change with no financial impact.
	(b) Deferred Tax is recognized, subject to consideration of prudence on timing differences, representing the difference between the taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.	(b) Deferred Tax is recognized, subject to consideration of prudence on timing differences, representing the difference between the taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date as per AS 22.	Clarificatory change with no financial impact.

**NOTE 26 : (Contd.)**

**k) Provisions and Contingencies**

(₹ in crore)

S. No.	Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	2017-18	2016-17
1.	Provisions for depreciation on Investment	0.01	0.00
2.	Provision made towards Income tax	441.15	389.80
3.	Provision towards NPA	500.13	271.65
4.	Provision for Standard Assets		
	i) Commercial Real Estate (Residential Housing) - CRE-RH	(1.72)	0.17
	ii) Commercial Real Estate - CRE	1.66	2.11
	iii) Other than CRE & CRE-RH	36.65	14.76
	iv) Others (special dispensation by NHB)	29.88	7.73
	v) Investment in unquoted Bonds	1.08	0.00
5.	Other Provision and Contingencies		
	A. Provision for Employee Benefit		
	i) Leave Encashment	0.72	0.87
	ii) Post-Retirement medical benefit	4.58	(2.55)
	iii) Welfare expenses	0.59	0.04
	iv) Leave Travel Concession	(7.10)	0.25
	B. Provision on Debtors/ recoverables, other loans and advances	0.11	0.91

**l) Concentration of Public Deposits, Advances, Exposures and NPAs**

**i) Concentration of Public Deposits**

Particulars	2017-18	2016-17
Total Deposits of twenty largest depositors (₹ in crore)	477.23	618.78
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	76.16%	66.94%

**ii) Concentration of Loans & Advances**

Particulars	2017-18	2016-17
Total Loans & Advances to twenty largest borrowers (₹ in crore)	31,187.21	22,014.96
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	62.97%	55.51%

**iii) Concentration of all Exposure (including off-balance sheet exposure)**

Particulars	2017-18	2016-17
Total Exposure to twenty largest borrowers / Customers (₹ in crore)	42,816.51	33,463.08
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	58.30%	54.58%

**iv) Concentration of NPAs**

(₹ in crore)

Particulars	2017-18	2016-17
Total Exposure to top ten NPA accounts	2,188.82	1,607.73

**NOTE 26 : (Contd.)**
**v) Sector wise NPAs**

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		2017-18	2016-17
<b>A.</b>	<b>Housing Loans:</b>		
1.	Individuals	17.18%	3.93%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	27.13%	99.96%
4.	Others	0.58%	1.01%
<b>B.</b>	<b>Non-Housing Loans:</b>		
1.	Individuals	0.00%	0.00%
2.	Builders/Project Loans	100.00%	92.43%
3.	Corporates	76.68%	49.68%
4.	Others	1.43%	1.90%

**m) Movement of NPAs**

(₹ in crore)

Particulars	2017-18	2016-17
(I) Net NPAs to Net Advances (%)	1.42%	1.15%
(II) Movement of NPAs (Gross) (Project Loans)		
a) Opening balance	2386.22	2382.44
b) Additions during the year	822.89	82.50
c) Reductions during the year	81.65	78.72
d) Closing balance	3127.46	2386.22
(III) Movement of Net NPAs (Project Loans)		
a) Opening balance	433.52	701.39
b) Additions during the year	262.76	70.13
c) Reductions during the year	21.66	338.00
d) Closing balance	674.62	433.52
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	1952.70	1681.05
b) Provisions made during the year	560.13	271.65
c) Write-off/write-back of excess provisions	59.99	0.00
d) Closing balance	2452.84	1952.70

**n) Overseas Assets**

Particulars	2017-18		2016-17	
	(₹ in crore)	(US \$ in Millions)	(₹ in crore)	(US \$ in Millions)
Bank Deposits - Under lien with Bank of India, Cayman Islands branch, USA	111.06	17.07	131.43	20.27



**NOTE 26 : (Contd.)**

- o) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

Name of the SPV sponsored	
Domestic	Overseas
Nil	Nil

- p) Customers Complaints**

Particulars	2017-18	2016-17
a) No. of complaints pending at the beginning of the year	0	14
b) No. of complaints received during the year	2002	2033
c) No. of complaints redressed during the year	1977	2047
d) No. of complaints pending at the end of the year	25	0

- 44) As notified by the Ministry of Corporate Affairs, the Company shall be implementing Indian Accounting standards (Ind-AS) from Financial Year 2018-19 onwards.
- 45) (a) Figures of the previous year 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.

Sd/-  
Harish Kumar Sharma  
Company Secretary  
ACS 6557

Sd/-  
Rakesh Kumar Arora  
Director Finance  
DIN 02772248

For and on behalf of the Board  
Sd/-  
Dr. M Ravi Kanth  
Chairman & Managing Director  
DIN 01612905

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 : 30<sup>th</sup> May, 2018