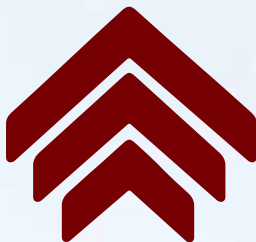




Profitability with Social Justice



51st
Annual Report
2020-21



hudco

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





EWS Housing Scheme under PMAY -HFA (Urban) – Tenali, Andhra Pradesh

51st
Annual Report
2020-21



HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

AN ISO 9001:2015 CERTIFIED COMPANY

CIN: L74899DL1970GOI005276

VISION

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

MISSION

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


CONTENTS

BOARD OF DIRECTORS	05
CHAIRMAN'S MESSAGE	06
NOTICE OF AGM	10
DIRECTORS' REPORT	22
MANAGEMENT DISCUSSION & ANALYSIS REPORT	40
CORPORATE GOVERNANCE REPORT	43
BUSINESS RESPONSIBILITY REPORT	63
SECRETARIAL AUDIT REPORT	71
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY	74
EXTRACT OF ANNUAL RETURN	82
MANAGEMENT REPLY TO INDEPENDENT AUDITOR'S REPORT	93
COMMENTS OF THE C&AG ON STANDALONE FINANCIAL STATEMENTS	94
COMMENTS OF THE C&AG ON CONSOLIDATED FINANCIAL STATEMENTS	95
INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS	96
STANDALONE FINANCIAL STATEMENTS	106
INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS	206
CONSOLIDATED FINANCIAL STATEMENTS	212
INFORMATION ON SANCTIONS/ RELEASES	320
SENIOR EXECUTIVE	324
HUDCO OFFICES	325
DETAILS OF THE AUDITORS AND BANKERS	327

ANNUAL GENERAL MEETING

Date: 30th September, 2021 **Time:** 3:30 p.m.

E-VOTING SCHEDULE



CUT OFF DATE	START DATE	END DATE
23.09.2021	27.09.2021	29.09.2021
	9:00 a.m. (IST)	5:00 p.m. (IST)

FINANCIAL HIGHLIGHTS

(₹ in crore)

PARTICULARS	As per IGAAP			As per Ind AS			
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue from Operations	3,346.55	3,204.81	3,498.85	4,171.36	5,547.64	7,532.12	7,234.58
Gross Income	3,427.77	3,302.20	3,584.84	4,234.14	5,591.22	7,571.64	7,277.73
Profit Before Tax (excluding other income, Extraordinary and Exceptional Items)	1,089.30	975.19	1,039.77	1,345.85	1,819.63	2,174.53	2,228.64
Profit After Tax	777.63	783.79	841.81	1,010.18	1,180.15	1,708.42	1,578.58
Share Capital - Equity	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90
Reserves & Surplus	5,779.27	6,443.91	7,165.35	7,941.09	8,953.87	10,341.59	11,187.15
Shareholder's Fund	7,781.17	8,445.81	9,167.25	9,942.99	10,955.77	12,343.49	13,189.05
Net Worth (Average)	7,452.25	8,113.49	8,806.53	9,555.12	10,449.38	11,649.63	12,766.27
Total Borrowings	23,467.65	25,608.96	28,432.43	37,492.89	59,847.96	61,436.61	60,977.96
Loan Outstanding	32,464.86	35,394.94	39,390.97	49,530.27	73,325.49	76,565.44	75,786.59
Total Borrowings/ Net Worth (%)	314.91	315.63	322.86	392.39	572.74	497.72	462.34
PAT/Net Worth (%)	10.43	9.66	9.56	10.57	11.29	14.67	12.37
Dividend	100.01	100.01	110.02	135.13	165.16	620.59	430.41
Dividend/PAT (%)* @	12.86	12.76	13.07	13.38	13.99	36.33	27.27
Dividend/Net Worth (%)*	1.34	1.23	1.25	1.41	1.58	5.33	3.37
Earning per share (₹) (Face value of ₹ 10/- per share)**	3.88	3.92	4.21	5.05	5.90	8.53	7.89

* Including final dividend of ₹ 10.01 crore approved by the shareholders in the Annual General Meeting thereby making the total dividend for the financial year 2016-2017 to ₹ 110.02 crore and including final dividend of ₹ 30.03 crore approved by the shareholders in the Annual General Meeting thereby making the total dividend for the financial year 2018-2019 to ₹ 165.16 crore. Dividend for the year 2019-20, includes interim dividend of ₹ 150.14 crore and final dividend of ₹ 470.45 crore approved by the Shareholders at the AGM, thereby making total dividend for the financial year 2019-20 to ₹ 620.59 crore. Dividend for the year 2020-21, includes interim dividend of ₹ 150.14 crore and final dividend of ₹ 285.27 crore to be approved by the Shareholders at the AGM, thereby making total dividend for the financial year 2020-21 to ₹ 435.41 crore.

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

OPERATIONAL HIGHLIGHTS

PARTICULARS	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Schemes Sanctioned	162	202	178	116	77	50	43
Loan Sanctioned (₹ in crore)	21096	30774	31861.97	38648	34452	19942	9202
Amount Released (₹ in crore)	8101	8250	9145	16565	31009	10122	8323
Dwelling Units							
- Total	484128	457879	271498	1548602	2068151	307277	12488
- % of EWS & LIG	82.95	93.68	96	99.93	94.42	99.91	58.98
Sanitation Units	0	0	0	0	0	0	0
Urban Infrastructure Projects	121	170	149	92	55	40	32
UI Loan Sanctioned (₹ in crore)	13426	11984	24290.71	22878	7195.55	16123.89	8265.27

BOARD OF DIRECTORS



Shri Kamran Rizvi
Chairman & Managing Director (Addl. Charge)
HUDCO and Additional Secretary, MoHUA
(w.e.f. 22.10.2020)



Shri M. Nagaraj
Director (Corporate Planning)



Shri D. Guhan
Director (Finance)



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



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



CHAIRMAN'S MESSAGE

Mr. Kamran Rizvi, IAS

**Chairman & Managing Director (Addl. Charge)
HUDCO and Additional Secretary, MoHUA**

Dear Shareholders, Ladies & Gentlemen,

It gives me immense pleasure to welcome you all on the occasion of the 51st Annual General Meeting (AGM) of HUDCO. The Annual Report for the financial year ending 31st March, 2021 together with the Director's Report, Audited Financial Statements and the Auditor's Report of your Company have already been provided to you and with your permission, I take them as read.

It is indeed a proud privilege to share that your Company has completed 51 years of successful journey and has demonstrated yet another year of excellent performance despite COVID-19 pandemic which was responsible for slowdown in economic activities. Despite all these hurdles, your Company has achieved a sanction of Rs. 9,202 crore and disbursement of Rs. 8,323 crore and earned a profit after tax of Rs.1,578.58 crore with a growth of 6.85% in its Net worth.

Under the disinvestment programme of Government of India, on 19th May, 2017, Government of India has divested its shareholding in HUDCO to the extent of 10.19%. Further, in order to achieve threshold limit of public shareholding in the Company to the level of 25% as per SEBI Regulations, Government of India has further divested around 8% (16,01,63,774 equity shares of face value of Rs. 10/- each) of its holding in HUDCO during July/August 2021 through offer for sale.

I would like to share the highlights of HUDCO's performance during 2020-21, the economic environment, challenges faced and future outlook of the Company, which clearly depicts that your Company is on growth path.

1. Economic Environment

The financial year 2020-21 was very challenging for the economy on account of the factors arising out of the COVID-19 pandemic affecting the overall growth of the Company. The provisional estimates of national income released by the National Statistical Office (NSO) on May 31, 2021 revealed that India's Real Gross Domestic Product (GDP) contracted by 7.3% for 2020-21. During the first two quarters, i.e., Q1 and Q2 of 2020-21, the GDP registered negative growth of 24.4% and 7.4% respectively. Subsequently, in the last two quarters of 2020-21, the GDP growth rates improved to the positive territory, registering growth of 0.5% in Q3 and 1.6% in Q4. In order to mitigate the effects of the pandemic, the Reserve Bank of India (RBI) has reduced policy rates and maintained a soft interest stance throughout the year, as a result, the interest rates were seen heading downwards during the year.

2. Sectoral Overview and Government Policy Initiatives

In order to boost, 'Housing for All' and 'Affordable Housing' being flagship programmes of the Government of India, the Government in its union budget for the year 2019-20 had provided an additional deduction of interest in tax benefit, amounting to Rs.1.5 lakh to the beneficiaries for loan taken to purchase an affordable house, which has been further extended upto 31st March, 2022 in the 2021-22 budget. Further, to keep up the supply of affordable houses, affordable housing projects have been accorded tax holiday for one more year till 2021-22. The RBI's action on the key policy rates during the year ensured that the various lending rates including the home loan rates of the banks and the financial institutions remain affordable.

The Government also laid emphasis on the infrastructure sector. The budget 2021-22 envisaged to augment funds for National

Infrastructure Pipeline (NIP) by creating the institutional structures, big focus on monetizing assets and by enhancing the share of capital expenditure in central and state budgets. Accordingly, in the budget 2021-22, the Government has announced setting up of a professionally managed Development Financial Institution to act as a provider, enabler and catalyst for infrastructure financing. A sum of Rs. 20,000 crore has been provided in the budget to capitalise this institution. Monetizing operational public infrastructure assets was regarded as an important financing option for new infrastructure construction. In this regard, it was announced that a National Monetization Pipeline of potential brownfield infrastructure assets and an asset monetization dashboard would be created to provide visibility to investors.

3. Emerging Issues in Housing and Urban Infrastructure

As the second wave of the pandemic started to recede, the states started to ease the containment measures. With the gradual unlocking of the prohibitory measures, the domestic economic activity has been gradually picking up and being aided further by the vaccination drive. The economic recovery is likely to gain momentum as these things progress. There is a sense of optimism in the growth outlook for the ensuing year. As per data released by NSO on 31st Aug 2021, the Q1 GDP for 2021-22 grew by 20.1%. The Reserve Bank of India (RBI) after considering various factors has projected a real GDP growth of 9.5% for the fiscal year 2021-22 as against 7.3% real GDP contraction in 2020-21. To aid economic recovery, the RBI is still maintaining a softer interest rate regime by keeping the policy rates low. With gradual recovery, HUDCO will tap into opportunities that exist in housing and urban infrastructure sectors. The key growth drivers for the housing and urban infrastructure sectors are healthy pace of urbanization, population growth, huge housing shortage and inadequate infrastructure. Recently, the Government has unveiled Rs. 6 lakh crore National Monetisation Pipeline which was envisaged in the budget 2021-22. The pandemic has posed serious challenges to the health infrastructure of the country. As various states will try to ramp up health infrastructure, HUDCO would have business opportunities in Social Infrastructure projects like Health Center, Government Hospitals, Medical Colleges, etc., which have been considered priority lending for HUDCO in the past.

4. Operational and Financial Performance

HUDCO since inception, i.e., April, 1970 to March, 2021 has cumulatively sanctioned a total of 17,301 Housing and Urban Infrastructure (UI) projects with a total loan of Rs. 2,13,082 crore and disbursed an amount of Rs. 1,79,527 crore. Further, your Company has sanctioned financial assistance to more than 192.45 lakh housing units both in rural and urban areas in the Country of which, 183.19 lakh (95.19%) pertains to EWS/LIG categories. In addition, under HUDCO Niwas, a retail lending window, your Company has cumulatively sanctioned financial assistance of Rs. 6,846 crore to 3.86 lakh individuals and disbursed an amount of Rs. 5,160 crore. The Operational and Financial highlights during the year 2020-21 are as follows: -

- a) Under Housing Sector, your Company has sanctioned projects with loan assistance of Rs. 937 crore, inclusive of Rs. 21 crore under HUDCO Niwas, thereby facilitating construction of 12,488 dwelling units. The total loan released was Rs. 3,701 crore (inclusive of Rs. 13 crore under HUDCO Niwas) during current year.
- b) Under Urban Infrastructure portfolio, your Company has sanctioned 32 urban infrastructure projects, with loan assistance of Rs. 8,265 crore across various sectors like Water Supply, Metro, Power, Social Infrastructure, Commercial Infrastructure, Road & Transport etc. The total loan released was Rs. 4,622 crore during the current year.
- c) Your Company has posted Profit Before Tax (PBT) of Rs. 2,228.64 crore with growth of 2.49 % in Profit Before Tax (PBT).
- d) Your Company has seen a growth of 6.85% in its net worth that has reached Rs. 13,189.05 crore from Rs. 12,343.49 crore in financial year 2019-20.
- e) Total dividend pay-out will be 21.75%, i.e., Rs. 2.175 per equity share having face value of Rs.10/- each, out of which interim dividend @ 7.50%, i.e., Rs. 0.75 per equity share has already been paid in March, 2021 & April, 2021 and final dividend of 14.25%, i.e., Rs. 1.425 per share will be paid after shareholders' approval at the AGM.
- f) As on 31st March, 2021, your Company reported Gross NPA of Rs. 3,054.01 crore, which constitutes 4.03% of total loan portfolio and net NPA was Rs. 369.03 crore, which constituting 0.50% to net loan outstanding. Further an amount of Rs. 76.12 crore was recovered from NPA accounts during the year 2020-21,

5. Social Orientation of HUDCO's business

HUDCO continues to support the housing needs of the Economically Weaker Sections of the society by offering financial assistance/ loan to the Economically Weaker Sections (EWS) and Low-Income Groups (LIG) segment at a comparatively lower rate of interest. Your Company has cumulatively sanctioned financial assistance to more than 192.45 lakh housing units both in rural and urban areas in the Country of which, 183.19 lakh (95.19%) was for the EWS/LIG categories.

6. Credit Rating of HUDCO

During the financial year 2020-21, the Company's long-term domestic borrowing programme was awarded the highest credit rating of 'CARE AAA [Triple A]; Stable', '[ICRA] AAA (Stable)' and 'IND AAA/Stable' by CARE, ICRA and India Ratings & Research, respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of 'CARE A1+ [A One Plus]', '[ICRA] A1+' and 'IND A1+', by the above-mentioned Credit Rating Agencies.

During the financial year 2020-21, two international credit rating agencies – Fitch and Moody's – have awarded 'BBB- with Negative Outlook' and 'Baa3 with Negative Outlook' ratings, respectively, to your Company. Each of the above credit ratings is equivalent to India's sovereign rating, and is of investment grade.

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

HUDCO is assisting the Ministry of Housing and Urban Affairs in implementation of its flagship programme of 'Pradhan Mantri Awas Yojana- Urban (PMAY) - Housing for All'.

Further, PMAY-Urban also provides business opportunity to HUDCO by offering loan assistance to State Governments/State Implementing Institutions/Urban Local Bodies to meet their share in the total project cost. The year 2022 being the last year of 'Housing for All' mission, there is immense scope for viability gap funding under PMAY-Urban. HUDCO will take this opportunity to increase its visibility under 'Housing for All' program.

As part of PMAY (Urban), till 31.03.21, HUDCO has sanctioned a total of 7 projects in 4 States (Uttarakhand, Andhra Pradesh, Telangana & Kerala) offering a total loan of Rs. 10,677 crore for taking up 5,51,662 housing units. Of the total amount sanctioned, all schemes are in progress and a total amount of Rs. 9,864 crore has been drawn by the State agencies.

Similarly, under PMAY (Rural), till 31.03.21, HUDCO has also sanctioned 1 PMAY (Gramin) housing scheme in the State of Uttar Pradesh for a loan amount of Rs. 2,839 crore and disbursed entire sanctioned amount covering 6.25 lakh dwelling units and the scheme is completed.

HUDCO, as Central Nodal Agency (CNA) has executed MoU with 90 Banks/ Prime Lending Institutions (PLIs) for EWS/LIG category which includes 2 Public Sector Banks, 5 Private Sector Banks, 1 NBFC-MFI, 1 Small Finance Bank, 12 Grameen Banks and 69 Cooperative Banks.

Further, MoU has also been executed with 79 Banks/PLIs for MIG-I and MIG-II which includes 2 Public Sector Bank, 5 Private Sector Bank, 1 NBFC, 13 Grameen Bank and 58 Co-Operative Banks.

Since the launch of CLSS in 2015-16 (as on 31st March 2021), HUDCO has disbursed subsidy of Rs. 1,101.26 crore to 49,566 households through 91 PLIs/Banks with whom, MoU has been executed for implementation of PMAU(U) - CLSS.

During 2020-21, the total subsidy amount of Rs. 538.34 crore was disbursed to 23,620 households which includes Rs. 334.73 crore disbursed to 13,985 EWS/LIG households and Rs. 203.61 crore to 9,635 MIG households.

Under Pradhan Mantri Awas Yojana (PMAY) - (Urban), upto March 31st, 2021, HUDCO has so far carried out site and desk scrutiny for 489 projects with project cost of Rs. 46,752.85 crore having central share of Rs. 14,506.68 crore for total of 9.85 lakhs dwelling units (including 9.77 lakh EWS DUs) at 364 towns/cities under 34 States/Union Territories of India. However, during the financial year 2020-21, HUDCO has carried out site and desk scrutiny of 32 projects with project cost of Rs. 2,772.18 crore having central share of Rs. 1,069.58 crore for total of 71,568 dwelling units in 30 towns/cities under 13 States/ Union Territories of India.

8. Human Settlement Management Institute (HSMI)

HUDCO's Research & Training Wing/Human Settlement Management Institute (HSMI) has established itself as an eminent institution in the sector. During the year 2020-21, HSMI has conducted 44 Webinars/Training Programmes for imparting training to 4,712 professionals.

During the year 2020-21, HSMI has conducted two Training programmes in physical form, which were sponsored by Department of Personnel & Training (DoPT) for in-service officials. These programmes were attended by 24 participants.

Six webinars were also conducted for international participants of ITEC programme for 23 officers/ professionals from various countries. One e-ITEC online Training Programme was conducted for 14 participants of Brunei Darussalam. Four Webinars/ Online Training programmes in association with CITYNET were conducted for 331 domestic/international participants.

During the year, a special issue of 'Coffee Table Book' with compilation of award-winning entries under best practices, since introduction of the HUDCO Best Practices Award in 2011-12, was released online during World Habitat Day celebration.

9. Human Resources Management

The backbone of any organisation is its human resources. HUDCO has a multi-disciplinary talent pool of professionals from Projects, Finance, Law, Information Technology, Human Resources, Public Relations, etc. Your Company regularly arranges capacity building programmes for its employees under various functional areas relevant to their fields. However, 2020-21 was a year of pandemic, therefore to avoid any health hazard, the online mode was followed for imparting training during the year in different professional fields. During the year, 35 online training programmes were conducted in various areas relevant to Company's operations and for up-gradation of employee's skills. In addition to this, health talks and online interaction of employees with health expert was also organised in view of the pandemic and overall well-being of the employees.

10. Corporate Social Responsibility (CSR)

During the year 2020-21, your Company has spent/released a total amount of Rs. 7.44 crore on CSR projects, however, based on utilization certificate received from the agencies, an amount of Rs. 5.74 crore has been booked in the financial statements as an utilized amount. In compliance with the Ministry of Corporate Affairs, GoI, notification, dated 22nd January 2021, HUDCO has transferred an amount of Rs. 80,19,41,235/- to the Special Account opened with State Bank of India named as 'Unspent Corporate Social Responsibility Account', being the unspent amount. The position with respect to Corporate Social Responsibility and Annual Report on CSR for the financial year 2020-21 has duly been explained/ annexed with the Directors Report.

11. Corporate Governance

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

12. Future Outlook

COVID-19 pandemic outbreak has adversely impacted the economic performance across the world. Indian economy is also likely to be impacted in a major way due to the current pandemic. The economic slowdown will impact all sectors in the economy including the Housing and Urban Infrastructure sectors. HUDCO has to keep up with the challenges of the current scenario and strive to continue business with various State Government Agencies.

The commitment of Government of India to achieve the Sustainable Development Goals can be realised only if actions at the National Level are complimented by initiatives of the State Governments/Union Territories (UTs) and Urban Local Bodies. The States/UTs have the prime responsibility in achieving Sustainable Development Goals (SDGs) and are essential stakeholders in implementing the agenda.

The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) Mission has been allocated Rs. 7,300 crore in the budget estimates of 2021-22. HUDCO will strive to tap potential business for viability gap funding. The Government of India has launched the 'Swachh Bharat Mission- 2.0' with an allocation of Rs. 1.41 lakh crore for five years from 2021 till 2026, to focus on solid waste management, safe sanitation, water treatment and recycling. These sectors also offer potential business opportunities for HUDCO. Smart city project is one of the diversified fields in the core infrastructure sector for HUDCO financing. An allocation of Rs. 6,450 crore has been made for this mission in the Union budget of 2021-22.

13. Acknowledgements

On behalf of the Board of Directors, I am indeed grateful for the co-operation, guidance and support extended by the Government of India particularly Ministry of Housing and Urban Affairs, Ministry of Rural Development, Department of Public Enterprises, Reserve Bank of India, National Housing Bank, Securities and Exchange Board of India and Ministry of Corporate Affairs. I also thank the Comptroller & Auditor General of India and Statutory Auditors for their significant contribution.

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

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

Thank you for your kind support.

Sd/-
Kamran Rizvi, IAS
Chairman & Managing Director

NOTICE

Notice is hereby given that the 51st Annual General Meeting (AGM) of Housing and Urban Development Corporation Limited (HUDCO) will be held on Thursday, the 30th September, 2021 at 3:30 p.m. (IST) at HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi – 110003 through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2021, along with Directors' Report, Independent Auditor's Report and comments thereupon of the Comptroller and Auditor General of India.
2. To declare final dividend @ 14.25 % (Rs.1.425/- per equity share) on the paid-up equity share capital of the Company for the financial year ended 31st March, 2021 as recommended by the Board and to confirm the payment of interim dividend @ 7.50% (Rs. 0.75/- per equity share) already paid in the month of March, 2021.
3. To appoint a Director in place of Shri Muniappa Nagaraj (DIN: 05184848) who retires by rotation at this Annual General Meeting, on the same terms and conditions as earlier approved by the President of India and is eligible for reappointment.
4. To authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors of the Company for the financial year 2021-22.

AS SPECIAL BUSINESS

5. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder and Articles of Association of the Company, Shri Kamran Rizvi (DIN: 01653503), who was appointed as Chairman & Managing Director (additional charge) by the President of India through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India vide order(s) dated 22nd October, 2020 and 1st July, 2021 with effect from 22nd October, 2020, being the date of the order as per terms of appointment and subsequently appointed as an Additional Director and designated as Chairman & Managing Director by the Board of Directors to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, be and is hereby appointed as Chairman & Managing Director of the Company, not liable to retire by rotation, on the same terms & conditions as determined by the President of India from time to time.”

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

“RESOLVED THAT

- (i) In accordance with the provisions of Section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), enabling notification(s), if any, Housing Finance Companies Issuance of Non-convertible debentures on private placement basis (NHB) Directions, 2014 (as amended) and any other guidelines issued by any other regulatory authority, as may be amended from time to time, consent of the Company be and is hereby accorded to raise funds upto a maximum of Rs.15,000 crore during a period of one year from the date of passing of this special resolution (subject to the outstanding borrowings at any given point of time not exceeding the overall borrowing limit approved by the shareholders u/s 180(1)(c) of the Companies Act, 2013 through a special resolution) by way of issue of unsecured/ secured non-convertible bonds/ debentures of the Company on private placement basis, in domestic and/ or international markets, in one or more tranches/ combinations and including the exercise of a green-shoe option (within the overall limit of Rs.15,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.
- (ii) For the purpose of giving effect to any private placement of unsecured/ secured non-convertible bonds/debentures, the Board of Directors of the Company (the “Board”) or any duly constituted Committee of the Board or such other authority as may be approved by the Board be and is hereby authorized to do all such acts, deeds and things, as may be deemed necessary, including but not limited to determining the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of issue, discount to issue price, listing, issuing any declaration/undertaking

or any terms and conditions of issue of Bonds, etc., required to be included in the private placement offer letter/ offer document/ offering circular and any other regulatory requirement for the time being in force.

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

By order of the Board of Directors

Place : New Delhi
Dated : 7th September, 2021

Sd/-
Harish Kumar Sharma
Company Secretary

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the AGM under item nos. 5 to 6 is annexed hereto;
2. In view of the ongoing COVID-19 pandemic, social distancing norms to be followed and pursuant to circular no. 02/2021 dated 13th January, 2021 read together with circular no. 20/2020 dated 5th May, 2020 (collectively referred to as 'MCA circulars') and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/ 11 dated 15th January, 2021 read with circular no. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (collectively referred to as 'SEBI circulars') and in compliance with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e., SEBI (LODR), this AGM will be held through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM'), without the physical presence of the members at a common venue.

Since the Company is conducting the AGM through VC/OAVM, the facility for appointment of proxies by the members will not be available for the AGM, hence, the proxy form and attendance slip are not annexed hereto;

3. The deemed venue for the AGM shall be the Registered Office of the Company, i.e., HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003. As the meeting will be held through VC/OAVM, hence, route map of the venue of the meeting is not annexed hereto;
4. Pursuant to Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India and/or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/Corporate Members intending to appoint authorised representative to attend and vote on their behalf at the AGM are required to send a scanned certified copy (PDF/JPG format) of its Board or Governing body resolution/ Authorization letter, etc., authorizing its representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting at least 48 hours before the AGM. The said resolution / authorization letter shall be sent to the scrutinizer by e-mail through its registered e-mail address to hemantsinghcs@gmail.com;
5. In case of joint holders attending the meeting, only such joint holder whose name appears first in the order of names in the Register of Members of the Company/ list of Beneficial Owners as provided by National Securities Depository Limited ('NSDL')/Central Depository Services (India) Limited ('CDSL') (collectively referred to as 'Depositories') in respect of such joint holding, will be entitled to vote;
6. Pursuant to SEBI/MCA circular(s), copy of the 51st Annual Report for the year 2020-21 along with notice of AGM containing the process and manner of remote e-voting, instruction for members for e-voting on the day of the AGM and for attending the AGM through VC/OAVM are being sent to all the members through electronic mode whose email addresses are registered with their Depository Participants (DP) and/or Registrar & Transfer Agents (RTA) for communication purposes;
7. ***To support the 'Green Initiatives', the Members who have not registered their email addresses or there is any change in their email address(es), are requested to immediately notify/update their email address with their DP, in case the shares are held in dematerialized form and to the RTA, in case the shares are held in physical form by providing necessary details, for receiving all communication including Audited Financial Statements, Notices, Circulars, etc., from the Company electronically;***

8. Members who would like to express their views/ ask questions during the AGM, may register themselves as a speaker by sending their request from their registered email address mentioning their name, Demat Account / folio number, email id, mobile number at investors.agm@hudco.org, not later than 5:00 p.m., 25th September, 2021.

Only those members who have registered themselves as Speaker will be allowed to express their views/ ask questions during the AGM, once the floor is open for shareholders queries. The Company reserves the right to limit the number of Speakers and number of questions depending on the availability of time at the AGM.

Further, the members desirous of seeking any information/ clarification on any item(s) of business to be transacted at the meeting are requested to send their queries at investors.agm@hudco.org at least ten days prior to the date of the AGM, so that the information required/ clarification sought can be made readily available at the time of AGM;

9. In terms of Dividend Distribution Policy and DPE Guidelines, the Board of Directors has recommended a final dividend @ Rs. 1.425/- (14.25 %) per equity share of the face value of Rs. 10/- each for approval of the shareholders in the AGM. On approval/ declaration at the AGM, subject to provisions of the Companies Act, 2013, the same will be paid within the stipulated time period to the eligible members, whose names appear as beneficial owner / member as at the end of the business hours on 18th September, 2021, being the record date.

The Company has already paid an interim dividend of Rs. 0.75/- (7.50%) per equity share having face value of Rs. 10/- each, amounting to Rs. 150.14 crore for the financial year 2020-21, which was approved by the Board in its meeting held on 18th March, 2021.

Accordingly, the total dividend for the financial year 2020-21 will be Rs. 2.175/- (21.75%) per equity share with total dividend payout of Rs. 435.41 crore;

10. Members may further note that the Income Tax Act, 1961, ('the IT Act') as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend.

a. For resident shareholders : taxes shall be deducted at source under Section 194 of the IT Act as follows-

In case valid PAN is provided/ available/ registered	10% or as notified by the Government of India
In case valid PAN is not provided/ not available/ registered	20% or as notified by the Government of India
Members submitting lower/ NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961	Rate specified in the certificate

However, no tax shall be deducted on the dividend payable to a resident individual, if the total dividend to be received by him/her during financial year 2021-22 does not exceed Rs. 5,000 and also in cases where members provide Form 15G (Form 15H for individuals aged 60 years or more) subject to conditions specified in the IT Act. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

Members who are required to link Aadhaar number with PAN as required under Income Tax Act, should compulsorily link the same on or before the last date as notified/to be notified by the Income Tax Authorities. If as required under the law, any PAN is found to have not been linked with Aadhaar within the stipulated timelines, then such PAN shall be deemed invalid and TDS will be deducted at higher rate under section 206AA of the Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AA.

No TDS shall be deducted provided sufficient documentary evidence thereof, to the satisfaction of the Company are submitted as mentioned below:

- Insurance companies:** for public and other insurance companies, a declaration that they are beneficial owners of shares held along with self-attested copy of PAN;
- Mutual Funds:** Self-declaration that they are governed by the provisions of section 10(23D) of the Act along with self-attested copy of PAN and SEBI registration certificate;
- Alternative Investment Fund (AIF) established/incorporated in India:** A self-declaration that its income is exempt under section 10(23FBA) of the Act and they are established and governed as category I or category II AIF under the SEBI regulations along with self-attested copy of the PAN and SEBI registration certificate;

- (iv) **New Pension System Trust:** A self-declaration that they are governed by the provisions of section 10(44) [subsection 1E to section 197A] of the Act along with self-attested copy of the PAN and registration certificate;
 - (v) **Corporation established by or under a Central Act** which is, under any law for the time being in force, exempt from income- tax on its income - Documentary evidence that the Corporation is covered under section 196 of the Act and alongwith self-attested copy of the PAN and registration certificate; and
 - (vi) **Other Non-individual shareholders:** Documentary evidence along with an attested copy of the PAN of shareholders who are exempted from deduction of tax under section 194 of the IT Act and categories who are covered under section 196 of the Income Tax Act;
- b. **For non-resident shareholders,** taxes are required to be deducted in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The TDS shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable.

However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Self-attested copy of the valid PAN card allotted by the Indian Income Tax authorities;
- Self-attested copy of the Tax Residency Certificate (TRC) for the financial year 2021-22 obtained from the tax authorities of the country of which the shareholder is resident;
- Self-declaration in prescribed Form 10F, if all the details required in this form are not mentioned in TRC;
- Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable tax treaty of financial year 2021-22;
- Self-declaration of beneficial ownership of financial year 2021-22 by the non-resident shareholder; and
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

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

The Company is not obligated to apply beneficial tax treaty rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial rate of tax treaty for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

Section 206AB of the Act

TDS will be deducted @ 20%, i.e., at twice the applicable rate on the amount of dividend payable where the resident shareholders have not filed with the Income Tax Authorities their return of income for the previous two financial years and were subject to tax deduction/ collection at source aggregating Rs. 50,000/- or more in each of those financial years. The aforesaid Shareholders, effective from 1st July, 2021, have been classified as 'Specified Person' in terms of Section 206AB of the Income-tax Act, 1961.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

The Shareholders are requested to submit the requisite documents to the Company at dividend.tax@hudco.org only, on or before, 20th September, 2021:

- (i) if they are covered under the definition of 'specified person' as provided in section 206AB of the IT Act by way of self declaration;
- (ii) The requisite documents, for claiming exemption at nil/ concessional rate of tax, as mentioned above.

The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB.

No communication on tax determination/ deduction shall be entertained after 20th September, 2021;

11. In terms of Section 152 of the Companies Act, 2013, Shri Muniappa Nagaraj (DIN: 05184848), Director (Corporate Planning), retires by rotation at this AGM and being eligible, offers himself for re-appointment.

Detail of Director(s) seeking appointment or re-appointment as required to be provided pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, is given under 'Brief profile of Directors' under the chapter 'Corporate Governance' in Annual Report;

12. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are appointed/ re-appointed by the Comptroller and Auditor General of India (CAG) and in terms of Section 142 of the Companies Act, 2013, remuneration of the Statutory Auditors shall be fixed by the Company in a General Meeting or in such manner as the Company in a General Meeting may determine.

Accordingly, it is proposed that the members may authorize the Board of Directors of the Company to fix the remuneration and reimbursement of travelling and out of pocket expenses of the Statutory Auditors, M/S APRA & Associates LLP, (regd. no. DE2438), Chartered Accountants, New Delhi for the financial year 2021-22 appointed by the CAG.

13. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) and Bank Account details by every participant in securities market. Members holding shares in electronic form are therefore required to submit/ update their PAN and Bank Account details to the DP with whom they maintain their demat account. Further, Members holding shares in physical form should submit/update their PAN and Bank Account details alongwith a self-certified copy of PAN and a cancelled cheque/passbook copy to the RTA.

As per SEBI Guidelines, it has been made mandatory for all Companies to use the bank account details furnished by the depositories for distributing dividends and other cash benefits, etc., through Electronic Clearing Service to the investors wherever ECS and bank details are available.

Members may note that their Bank Account details, as available with the records of the DP/ RTA shall be used for the purpose of remittance of dividend and other cash benefits, etc., through National Electronic Clearing Service (NECS), wherever applicable. Members should ensure that correct bank details are noted in the records of the DPs/ RTA, so that no ECS rejection takes place;

14. Members are requested to note:

- a) Non-Resident Indian shareholder(s) are requested to inform their DP/RTA, immediately in respect of change in their residential status on return to India for permanent settlement and particulars of their bank account maintained in India with complete name, branch, account type & number and address of the Bank with PIN Code, if not furnished earlier;
- b) In terms of the SEBI (LODR) Regulations, 2015, securities of listed companies can only be transferred in demat form w.e.f., April 1, 2019. In view of the above, members are advised to get their shares dematerialized;
- c) In terms of Section 72 of the Companies Act, 2013, Members, holding shares in physical form, may avail the facility of nomination by making nomination in Form No. SH-13 as prescribed in the Companies (Central Government's) General Rules and Forms, 2013. For cancellation or variation of Nomination, Form SH-14 can be used. The Form SH-13/ SH-14 duly filled in and completed in all respect is required to be submitted to the RTA. Blank nomination form(s) are available on the Company's website, i.e., www.hudco.org. In case of shares held in dematerialized form, the nomination/change of address has to be lodged with the respective DP's; and
- d) Members holding more than one share certificate in the same name or joint names in same order but under different ledger folios, are requested to apply for consolidation of such folios and send the relevant share certificates to the RTA to enable them to consolidate all such holdings into one folio. A consolidated share certificate will be issued after making requisite changes;

15. The Register of Directors', Key Managerial Personnel & their shareholding, Register of Contracts or Arrangements in which Directors' are interested and other documents referred in the accompanying notice and explanatory statement thereto are available electronically for inspection by members, during the time of AGM;

16. M/s Alankit Assignments Limited, RTA, is looking after the entire share related activities, like - transmission/ transposition/ dematerialization/ rematerialization/ split/ consolidation of shares, change of address, bank mandate, filing of nomination, dividend

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

**M/s Alankit Assignments Limited,
Registrar and Share Transfer Agents (RTA),**
Alankit Heights, 4E/2,
Jhandewalan Extension,
New Delhi-110055,
Email-id: rt@alankit.com,
Ph.No. -011-42541234/ 23541234,
Fax-011-23552001
Website: www.alankit.com

17. Instruction for remote e-voting and attending the AGM through VC/OAVM.

1. Pursuant to Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members, facility to exercise their right to vote on resolution(s) proposed to be considered at the 51st AGM by electronic means to be held on Thursday, the 30th September, 2021 at 3.30 p.m. (IST), through VC/OAVM facility. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by Central Depository Services (India) Limited (CDSL);
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors', Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., who are allowed to attend the AGM without restriction on account of first come first served basis;
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013; and
4. 51st Annual Report and notice of the AGM, has been uploaded on the website of the Company at www.hudco.org and the same can also be accessed from the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. 51st Annual Report and Notice of the AGM is also disseminated on the website of CDSL (agency appointed for providing the Remote e-voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

A. Instructions for shareholders attending the AGM through VC/OAVM

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through CDSL e-voting system. Shareholders may access at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where EVSN of Company, i.e., Housing and Urban Development Corporation Limited will be displayed;
2. Shareholders are encouraged to join the meeting through Laptops/iPads for better experience. Further shareholders are requested to join the AGM with high-speed wired internet connectivity. This will prevent WiFi dropouts and speed issues; and
3. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

B. Instructions for shareholders for remote e-voting and e-voting during AGM

- i. The remote e-voting period commences on Monday 27th September, 2021 (9:00 a.m. IST) and ends on Wednesday 29th September, 2021 (5:00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 23rd September, 2021 ('cut-off date') may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member is not be allowed to change it subsequently;
- ii. The voting rights of members shall be in proportion to the paid up value of their shares in the equity capital of the Company as on the cut-off date, i.e., 23rd September, 2021 and a person who is not a member on the cut-off date should treat this notice of AGM for information purpose only;

- iii. The facility of e-voting will also be made available during the AGM and the Shareholders attending the AGM who have not casted their vote by remote e-voting and are not otherwise barred from doing so, shall be eligible to vote through e-voting system during the AGM. The shareholders who have voted/ casted their vote by remote e-voting may also attend the AGM but will not be allowed/entitled to cast their vote again.

Further, if any votes cast by the shareholders through e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting;

- iv. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, on e-voting facility provided by listed companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

In order to increase the efficiency of the voting process, all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants, are able to cast their vote without having to register again with e-voting service providers (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Pursuant to abovesaid SEBI circular, login method for e-voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on login icon and select New System Myeasi.</p> <p>2) After successful login the Easi/ Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting service providers ,i.e., CDSL/NSDL/ KARVY/ LINKINTIME, so that the user can visit the e-voting service providers website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ EasiRegistration.</p> <p>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from e-voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository, i.e., CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 1800 1020 990 and 1800 22 44 30.

v. **Login method for e-voting and joining virtual meeting for physical shareholders and shareholders other than individual shareholders holding in demat form**

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on 'Shareholders'
- (iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 character DP ID followed by 8 digits client ID,
 - c. Shareholders holding shares in physical form should enter folio number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any Company, then your existing password is to be used.

(vi) If you are a first-time user follow the steps given below:

For Physical Shareholders and other than Individual Shareholders holding shares in Demat	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for 'Housing and Urban Development Corporation Limited' on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option 'YES' implies that you assent to the Resolution and option 'NO' implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting
- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI, etc.,) and Custodians are required to log on to www.evotingindia.com and register themselves in the 'Corporates' module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc., together with attested specimen signature of the duly authorized signatory who are authorized to vote, to

the Scrutinizer at hemantsinghcs@gmail.com and to the Company at the email address viz; investors.agm@hudco.org, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

C. Instructions for Shareholders attending the AGM through VC/OAVM & e-voting during the meeting

1. The procedure for attending meeting and e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting;
2. Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the cut-off date, i.e., on 23rd September, 2021 may follow the process as stated above;
3. Mr. Hemant Kumar Singh, Company Secretary (Membership No. FCS: 6033) failing him Ms. Shinjini Mukherjee (Membership No. ACS: 65425), Partner(s) M/s. Hemant Singh & Associates, Company Secretaries in practice has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner; and
4. The Chairman, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of e-voting for all those members who are present at the AGM through VC/OAVM but have not casted their votes by availing the remote e-voting facility.

D. Declaration of Result

1. The Scrutinizer shall within the stipulated period of the conclusion of the AGM as provided under the applicable laws, provide a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith;
2. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company, i.e., www.hudco.org and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed; and
3. The resolutions listed in the Notice of the 51st AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.

E. General guidelines for Members

1. If you have any queries or issues regarding attending AGM and e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
2. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Shri Kamran Rizvi, was appointed/ nominated as Chairman & Managing Director (additional charge) of the Company by the President of India through the Ministry of Housing and Urban Affairs, Government of India, being the Administrative Ministry, vide order(s) dated 22nd October, 2020 and 1st July, 2021 with effect from 22nd October, 2020. He was appointed as an Additional Director with effect from 22nd October, 2020 as per provisions of Section 161 & other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company on the Board of Directors of Company up to the date of this AGM.

Shri Kamran Rizvi, aged 54 years is an Indian Administrative Services (IAS) Officer of 1991 batch of Uttar Pradesh cadre, presently Additional Secretary in the MoHUA, GoI, did his B. Tech and M. Tech in Mechanical Engineering from IIT Delhi and subsequently joined Indian Administrative Services. Shri Rizvi has to his credit rich experience of around 29 years of service as Civil Servant, serving in various important capacities both in the State and the Centre. The detailed profile of Shri Rizvi including the directorship held by him in other companies and membership of various Committees is given under the section – 'Corporate Governance Report' forming part of the Directors' report.

The Company is required to receive a notice in writing from the candidate himself or from a shareholder along with security deposit, not less than 14 days before the meeting, proposing the candidature of Shri Rizvi for the office of Chairman & Managing Director on the same terms and conditions as approved by the President of India.

The Board recommended that Shri Kamran Rizvi be appointed as Chairman & Managing Director of the Company, not liable to retire by rotation as per Article no. 39(i) of the Articles of Association of the Company on such terms and conditions, remuneration and tenure as may be determined by the President of India/ Government of India from time to time.

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

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

Item No.6

In order to meet the resource/funds requirements during one year from the date of passing of this special resolution, the Board of Directors have proposed issue of unsecured/ secured non-convertible bonds/ debentures on private placement basis upto a maximum of Rs. 15,000 crore in accordance with the enabling notification(s), provisions of section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014, other applicable provisions/ sections, if any of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Housing Finance Companies Issuance of Non-Convertible debentures on private placement basis (NHB) Directions, 2014 (as amended) and guidelines issued by any other regulatory authority, as may be amended from time to time.

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

Accordingly, it is proposed to pass a special resolution to enable the Company to raise funds upto a maximum of Rs. 15,000 crore during a period of one year from the date of passing of this resolution, by way of issue of unsecured/ secured non-convertible bonds/ debentures on private placement basis in domestic and/or international markets, in one or more tranches/ combinations and including the exercise of a green-shoe option within the overall limit of Rs. 15,000 crore as may be approved by the Board of Directors of the Company, from time to time and subject to the outstanding borrowings at any given point of time not exceeding the overall borrowing limit approved by the shareholders under section 180(1)(c) of the Companies Act, 2013.

Further, the Board of Directors of the Company (the "Board") or any duly constituted Committee of the Board or such other authority as may be approved by the Board shall be authorized to do all such acts, deeds and things, as may be deemed necessary, including but not limited to determining the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/ debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of



issue, discount to issue price, listing, issuing any declaration/undertaking or any terms and conditions of issue of Bonds, etc., required to be included in the private placement offer letter/ offer document/offering circular and any other regulatory requirement for the time being in force.

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

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

By order of the Board of Directors

Place : New Delhi
Dated : 7th September, 2021

Sd/-
Harish Kumar Sharma
Company Secretary

DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company are delighted to present the 51st Directors' Report, along with Audited Financial Statements (both standalone and consolidated) for the financial year ended on March, 2021.

1. FINANCIAL PERFORMANCE AND HIGHLIGHTS

The important financial highlights on standalone basis for the year ended 31st March, 2021 are as under:

(Rs. in crore)

Particulars	2020-21	2019-20
Revenue from Operations	7234.58	7532.12
Other Income	43.15	39.52
Total Income	7277.73	7571.64
Finance cost	4764.82	4847.81
Impairment on Financial instruments	(73.63)	155.76
Other Expenses including Employee Benefit Exp.	357.90	393.54
Total expenditure	5049.09	5397.11
Profit before tax	2228.64	2174.53
Less:		
Current Tax	427.50	453.00
Deferred tax	226.64	14.91
Adjustment of tax of earlier years (Net)	(4.08)	(1.80)
Profit after tax	1578.58	1708.42
Other Comprehensive Income	(19.37)	(16.64)
Total Comprehensive Income	1559.21	1691.78
Balance Surplus of previous year	7.46	0.04
Amount available for Appropriation	1566.67	1691.82
Less: Appropriation		
Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 and u/s 29C of NHB Act, 1987	440.00	500.00
Transfer to Debenture Redemption Reserve	439.83	439.83
Transfer to Reserve for Bad & Doubtful Debt	89.00	93.08
Interim Dividend	150.14	150.14
Transfer to Impairment Reserve	161.81	-
Tax on Interim dividend	-	30.86
Net surplus after appropriations	285.90	477.91
Proposed final dividend	285.27	470.45
Surplus available after final dividend	0.63	7.46
EPS (Basic/Diluted) (in Rs.)	7.89	8.53

Financial year 2020-21 has thrown up unprecedented challenges for the business of the Company due to pandemic. Financial year has started with nationwide lockdown in wake of COVID-19 pandemic, the same has resulted in slowdown in economic activities.

During the period, your Company has performed very well by witnessing a growth of 2.49 % in Profit before Tax (PBT). Your Company has seen a growth of 6.85% in its Net worth that has reached Rs. 13,189.05 crore in financial year 2020-21 from Rs. 12,343.49 crore in financial year 2019-20.

The financial year ended 31st March, 2021 marked a full year since the World Health Organisation declared the outbreak of COVID-19 as a pandemic. Countries across the globe continued to face drastic economic and social disruptions along with tragic loss of lives and livelihoods. Eruptions of new waves and variants of the virus necessitated restrictions and lockdowns.

In accordance with Reserve Bank of India guidelines on COVID-19 Regulatory package dated 27th March, 2020, 17th April, 2020 and 23rd May, 2020, the Company had offered moratorium on the payment of instalments falling due between 1st March, 2020 to 31st August, 2020 to eligible borrowers whose account is Standard and not in default as per Board approved guidelines.

The extent to which the COVID-19 pandemic shall impact the Company's future results shall depend on developments, which are highly uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact. The Company shall continue to closely monitor any material changes to future economic conditions. However, operating in the Government Guarantee as security with most of the Government borrowers additionally supported with budgetary provision of the Government or mortgage as security, we believe that we hold a much stable asset class and better borrower profile, which can withstand the pandemic relatively better.

In April, 2021, India witnessed a second wave of infections, however, HUDCO's operations may not be impacted due to the reasons as mentioned in the foregoing para.

Consolidated Financial Statements

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

A Statement containing salient features of financial statements of Joint Venture and Associate Companies, has been given in the prescribed format AOC – 1 and is annexed as part of the financial statements.

There are no material changes and commitments, occurred subsequent to the close of financial year of the Company and the date of this Board's report, affecting the financial position of the Company and its state of affairs.

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

2. DIVIDEND

Your Company is consistently rewarding its shareholders by way of dividend payment. The Board of Directors of your Company had earlier approved payment of interim dividend @ 7.50 %, i.e., Rs. 0.75 per equity share having face value of Rs. 10/- each totalling to Rs. 150.14 crore on the paid-up equity share capital of the Company in March, 2021 and the same has been paid.

Further, the Board of Directors, have also recommended payment of final dividend @ 14.25 %, i.e., Rs. 1.425 per equity share having face value of Rs. 10/- each for the financial year 2020-21, subject to approval of the shareholders at the ensuing 51st Annual General Meeting.

In compliance with regulation 43-A of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015, your Company has formulated 'Dividend Distribution Policy, and the same is available on Company's website at <https://www.hudco.org/writereaddata/DDP.pdf>.

As per guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, Company is required to pay a minimum annual dividend of 30% of Profit after Tax (PAT) or 5% of the net-worth, whichever is higher. After analysis various financial parameters, cash flow position and available distributable profits, the Board of Directors have paid/recommended lower dividend for the financial year than as prescribed under DIPAM guidelines.

3. SHARE CAPITAL

During the year under report, there is no change in the authorized, issued, subscribed and paid-up equity share capital of the Company. The Company has neither issued any shares with differential voting right nor any Sweat Equity Shares during the year under report.

As on 31st March, 2021, the authorized share capital of the Company was Rs. 2500 crore with issued, subscribed and paid-up equity share capital of Rs. 2001.90 crore, comprises of – President of India, being promoter of the Company with 89.81% (held through the

Ministry of Housing and Urban Affairs (MoHUA) - 69.08% and Ministry of Rural Development (MoRD) - 20.73% respectively) and the balance of 10.19% with the Public.

In order to achieve threshold limit of public shareholding in the Company to the level of 25% as per SEBI Regulations, President of India, being the promoter through MoHUA, Government of India has further divested 8% (16,01,63,774 equity shares of face value of Rs. 10/- each) of its holding in HUDCO in July/August, 2021.

After divestment, the shareholding of President of India in HUDCO has been reduced from 89.81% to 81.81 %. The present shareholding after divestment is – President of India 81.81% (held through MoHUA 61.08% and MoRD 20.73%) and public shareholding is 18.19%.

Listing of Shares and Payment of Listing Fee

The Equity Shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Further, annual listing fee for the financial year 2021-22 has been paid to the Stock Exchange(s).

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

As per provisions of Section 124 and 125 of the Companies Act, 2013, no amount of dividend remained unpaid or unclaimed for a period of 7 years or more from the date it became due for payment, accordingly, is not required to be transferred to Investor Education & Protection Fund (IEPF). Further, there are no shares required to be transferred to IEPF account.

4. MEMORANDUM OF UNDERSTANDING (MoU)

Your Company is expected to be rated Excellent by Department of Public Enterprises (DPE) for its performance in terms of the Memorandum of Understanding (MoU) parameters for the financial year 2019-20.

Further, your Company has entered into MoU with its Administrative Ministry, i.e., Ministry of Housing and Urban Affairs (MoHUA) for the financial year 2020-21, indicating the targets to be achieved for the key performance parameters. The financial year 2020-21 has thrown up unprecedented challenges to the business of the Company due to the pandemic and for reasons beyond the control of your Company. Despite these, it remained undithered and put in unstinting efforts to attain optimal performance in 2020-21 in order to keep up with its record 'Excellent' rating that it has achieved in the last 8 years (2011-12 to 2018-19).

5. LENDING ACTIVITIES

In the wake of outbreak of the COVID-19 pandemic, the financial year 2020-21 started with unprecedented nation-wide lockdown, which led to a slowdown in economic activities. Department of Expenditure, Ministry of Finance, in view of circumstances prevailing in the current financial year had issued an Office Memorandum dated 4th June, 2020, directing the State Governments that no new proposals be initiated in financial year 2020-21 except announced under PM Gareeb Kalyan Package, Atma Nirbhar Package and any other special package and schemes already approved in financial year 2020-21 and will remain suspended for one year till 31st March, 2021. Thus, State Government Agencies initiated very few projects leading to a fewer opportunity for HUDCO to tap into the business.

Despite the challenges posed, HUDCO, with its prudent business policies adopted by the management at all levels, could register sanctions of Rs. 9,202 crore and disbursement of Rs. 8,323 crore against the previous year sanctions and disbursements of Rs. 19,942 crore and Rs. 10,122 crore respectively.

HUDCO in its glorious journey of 51 years, since inception in 1970, has cumulatively sanctioned a total of 17,301 housing and urban infrastructure projects with a total loan of Rs. 2,13,082 crore and disbursements of Rs. 1,79,527 crore. Further, your Company has sanctioned financial assistance to more than 192.45 lakh housing units both in rural and urban areas in the Country, of which 183.19 lakh (95.19%) pertains to EWS / LIG categories. In addition, under HUDCO Niwas, a retail lending window, your Company has cumulative sanctioned financial assistance of Rs. 6,846 crore to 3.86 lakh individuals and disbursed an amount of Rs. 5,160 crore.

Reserve Bank of India vide letter dated 22nd October, 2020 has issued revised regulatory framework for Housing Finance Companies (HFCs). Since, HUDCO existing operational parameters does not fall under the revised framework as Housing Finance Company, accordingly HUDCO has to convert itself to Non-Banking Finance Company – ICC or IFC, within a period of six months as advised by RBI vide letter dated 26th March, 2021, for which necessary action has been initiated. RBI further advised that the exemption from concentration/exposure norms granted previously by National Housing Bank/ Reserve Bank of India would continue subject to the conditions as specified while granting such exemptions.

Housing Operations

Under Housing sector, during the year under review, HUDCO has sanctioned projects with a loan assistance of Rs. 937 crore, inclusive of Rs. 21 crore under HUDCO Niwas, thereby facilitating construction of 12,488 dwelling units. Loan release for an amount of Rs. 3,701 crore (inclusive of Rs. 13 crore under HUDCO Niwas) has been made during current year.

Urban Infrastructure Lending

Under the Urban Infrastructure portfolio, during the year, HUDCO has sanctioned 32 projects with a loan assistance of Rs. 8,265 crore across various sectors like Water Supply, Metro, Power, Social Infrastructure, Commercial Infrastructure, Road & Transport, etc., against which release of Rs. 4,622 crore has been made.

HUDCO is actively participating in Government of India prestigious flagship program of Smart City Mission. In the financial year 2020-21, HUDCO has provided financial assistance of Rs 1000 crore to Bhopal Smart City. Other Key projects taken up during the year are Kochi Metro Rail and Semi High-Speed Rail in Kerala.

Support to Government of India Flagship Programs

HUDCO, as a premier techno-financial institution and an integral part of the Government of India Mission programs, is assisting the Ministry of Housing and Urban Affairs in implementation of its flagship programs - Pradhan Mantri Awas Yojana (Urban) - Housing for All [PMAY-HFA (Urban)] through scrutiny and inspection of sample projects/ DPRs.

PMAY(U) Mission seeks to address the housing requirement of the urban poor including the slum dwellers through the 4 verticals, namely:

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

During the financial year 2020-21, HUDCO has carried out site and desk scrutiny of 32 projects with project cost of Rs. 2772.18 crore having central share of Rs. 1069.58 crore for total of 71,568 dwelling units in 30 towns/cities under 13 States/ Union Territories of India. Cumulatively till 31st March, 2021, HUDCO has carried out site and desk scrutiny for 489 projects with project cost of Rs. 46752.85 crore having central share of Rs. 14506.68 crore for total of 9.85 dwelling units (including 9.77 lakh EWS DUs) at 364 towns/cities under 34 States/ Union Territories of India.

As on 31st March, 2021, HUDCO, as Central Nodal Agency (CNA) under Pradhan Mantri Awas Yojna (Urban) – Credit Linked Subsidy Scheme (CLSS), has cumulatively disbursed subsidy of Rs. 1101.26 crore to 49566 households since the launch of CLSS in 2015-16 through 91 PLIs/Banks with whom, MoU has been executed for implementation of PMAY(U) –CLSS. During 2020-21, total subsidy amount of Rs. 538.34 crore was disbursed to 23620 households which includes Rs. 334.73 crore disbursed to 13985 EWS/LIG households and Rs. 203.61 crore to 9635 MIG households.

Further, PMAY also provides business opportunity to HUDCO in the form of viability-gap funding, wherein, HUDCO offers loan assistance to State Governments / State Implementing Institutions / Urban Local Bodies to meet their share in the total project cost. The year 2022 being the last year of 'Housing for All' mission, there is immense scope for viability gap funding under PMAY. HUDCO will take this opportunity to increase HUDCOs visibility under HFA program.

Sectorial overview and government initiative

Support to Economically Weaker Sections - HUDCO continues to address the housing needs of the economically weaker sections of the society by offering financial assistance/loan to the Economically Weaker Sections (EWS) and Low-Income groups (LIG) segment of the society at a comparatively lower rate of interest. Your Company has cumulatively sanctioned financial assistance to more than 192.45 lakh housing units both in rural and urban areas in the Country, of which 183.19 lakh (95.19%) pertains to EWS / LIG categories.

HUDCO's Support for projects in the North-Eastern Region – To support the projects in the North-Eastern Region of the Country, during the year, your Company has sanctioned 21 housing and urban infrastructure schemes with loan assistance of Rs. 1,620.12 crore in the States of Assam, Meghalaya, Arunachal Pradesh, Manipur and Nagaland.

Consultancy Initiatives

HUDCO provides consultancy services in the area(s) of Architectural Design & Development; Urban & Regional Planning; Appraisal Scrutiny & Monitoring of Government Projects; and Environmental Engineering, for the housing and urban development sector, through a dedicated team of qualified and experienced professionals from diverse background such as Architects, Planners, Landscape Experts, Geographers, Engineers, Valuers, GIS Expert and other allied professionals.

HUDCO has since inception successfully handled more than 300 projects which bears testimony to the firm's commitment to produce the best in every project commissioned. During 2020-21, the consultancy activities owing to the pandemic COVID-19 were restricted to a few niche areas like providing assistance to the Karnataka State Government in preparation of the Housing for All Plan of Action, preparation of DPR for comprehensive EWS Housing Layout at Kumaragurupallam in Raj Bhavan constituency, Puducherry under Smart City Project Housing Sector 2020-21, and reports on appraisal of four projects awarded by Delhi Police Department, while continuing work on the existing prestigious assignments.

As part of environmental consultancy, during 2020-21, HUDCO as Third-Party Assessment Agency for 'Evaluation of 3 Central Sector Schemes namely; Pollution Abatement Scheme, Hazardous Substances Management Scheme and Control of Pollution Scheme implemented by Ministry of Environment Forest and Climate Change (MoEF&CC) under the Umbrella category of Environmental Protection (Group-I)', submitted the final reports to MoEF&CC besides undertaking appraisal of two Integrated Management Plans of Pala Wetland and Tamdil Wetland, Mizoram, under National Plan of Conservation of Aquatic Eco-Systems (NPCA).

HUDCO Awards and Other works

HUDCO Consultancy has played a key role in information dissemination and increasing awareness about sustainable housing and urban development through exhibitions and awards. HUDCO Design Award instituted in 2012 to appreciate and invite innovative works done by professionals working in the field of Housing, Heritage Conservation, Landscape, Eco-cities, Green Buildings and Disaster Resistance Technology, etc., as in previous years, received entries from all over India for 2020-21, and were evaluated by team of eminent experts in the sector.

Another, unique design competition, the HUDCO NASA DESIGN TROPHY was organized on the theme 'Rental Housing Addressing Informality', engaging and facilitating interaction among students of architecture from all over India. The aim was to sensitize the students of challenges brought to fore by the pandemic - impacting the poor migrant workers, informally employed/ people in the informal work force, and, to look at efficient, adequate, sustainable and affordable rental housing options for an improved quality of life to meet their requirements in a desirable manner.

Besides this, an e-publication of HUDCO Construction & Consultancy Services was circulated expressing HUDCO's intent for rebuilding the economy and lives of people in the post pandemic era.

6. FINANCIAL REVIEW

(i) Accounting Policies

During the year under report, your Company has made certain modification/ additions in the existing accounting policies. The above modification/additions in the accounting policies have no financial impact on the financial statements of the Company.

(ii) Income from Operations and Profitability

Your Company has reported total income for the financial year 2020-21 at Rs. 7277.73 crore (previous year Rs. 7571.64 crore) inclusive of other income of Rs. 43.15 crore (previous year Rs. 39.52 crore). While the Profit before Tax (PBT) for the year was Rs 2228.64 crore (previous year Rs. 2174.53 crore) and Profit after Tax (PAT) was Rs. 1578.58 crore (previous year Rs. 1708.42 crore). Total comprehensive income for the year was reported at Rs. 1559.21 crore (previous year Rs. 1691.78 crore).

(iii) Non-Performing Assets

The Default and NPA position of your Company is regularly monitored to keep a check on any fresh addition to NPAs and for resolution of old and chronic defaults and in compliance with the prudential guidelines for Non-Performing Assets (NPAs) under the Housing Finance Companies (NHB) Directions, 2010, as amended from time to time. The default and NPA position of all Regional Offices is regularly monitored by their regional level Default Monitoring & Review Committee and Default Monitoring & Default Resolution (DMDR) Wing at Head Office. DMDR Wing at Head Office also undertakes joint review of Regional Offices alongwith Operations & Law Wing through video conferences. In addition, the overall default & NPA position is reviewed by Default

Monitoring & Resolution Committee (DMRC), Committee for Review of NPAs (a Board level Committee) and Board of Directors.

As at the end of the financial year ended 31st March, 2021, HUDCO reported gross NPA of Rs. 3,054.01 crore, which constitutes 4.03% of total loan portfolio. The net NPA as on 31st March 2021 is Rs. 369.03 crore which constitutes 0.50% to net loan outstanding as against MoU target of 0.19%. During the year 2020-21, an amount of Rs. 76.12 crore was recovered from NPA accounts. As on 31st March 2021, Loan Overdue to Net Loan Assets ratio is 9.85% as against MoU target of 8.90%.

The Company has made a total provision on loans (Impairment) as per ECL approach of Rs. 2753.39 crore. Out of the above, the provision on account of loans (Impairment) against NPA (Stage - III) loans is Rs. 2,684.98 crore.

As on 31st March, 2021, out of HUDCO's total loan book pertaining to project loans of Rs. 75,506.28 crore, government agencies constitute 96.71% while private sector constitutes 3.29%. In the case of loans to government sector (project loans), the gross NPA is Rs. 551.47 crore against loan portfolio of Rs. 73,022.49 crore and provision of Rs. 214.16 crore has been made towards NPA. Whereas, in private sector (project loans), the gross NPA is Rs. 2,483.79 crore against loan portfolio of Rs. 2,483.79 crore and a provision of Rs. 2,452.06 crore has been made towards NPA. Further, HUDCO is not making any fresh sanctions to the private sector, since March 2013.

(iv) **Resource Mobilization**

During the financial year 2020-21, the Company mobilized resources aggregating to Rs. 7,850 crore from domestic markets through diversified sources. This included long term resources of Rs. 6,350 crore mobilized through issue of unsecured Taxable Bonds on private placement basis. Further, the Company has mobilized Rs.1,500 crore through issue of Commercial Paper(s) for a period of one year. The tenure of the Bonds was decided based on market conditions and were linked to cumulative gaps in various time buckets, as per the ALM reports.

The Company also had approved Cash Credit/ Working Capital Demand Loan limits amounting to Rs. 8,655 crore from various scheduled commercial banks, for bridging any liquidity/ ALM mismatches and meeting interim operational/ contingency requirements. The said facilities were available with the Company without any commitment charges towards unutilized amounts.

As a part of prudent policy, the short-term resources are suitably replaced at an opportune time with longer tenor alternate resources depending upon prevalent market conditions, internal liquidity position and actual operational requirements.

As on 31st March, 2021, HUDCO's overall borrowings stood at Rs. 60,977.96 crore, which comprised of long-term borrowings of Rs. 59,477.96 crore and short-term borrowings of Rs. 1,500 crore. Further, as on 31st March, 2021, the long-term borrowings to Net worth stood at 4.51 times, as against 4.66 times as on 31st March, 2020.

(v) **Domestic and International Credit Rating**

Domestic

During the financial year 2020-21, the Company's long-term domestic borrowing programme was awarded the highest credit rating of 'CARE AAA [Triple A]; Stable', '[ICRA] AAA (Stable)' and 'IND AAA/Stable' by CARE, ICRA and India Ratings & Research, respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of 'CARE A1+ [A One Plus]', '[ICRA] A1+' and 'IND A1+', by the above-mentioned Credit Rating Agencies.

International

During the financial year 2020-21, two international credit rating agencies – Fitch and Moody's – have awarded 'BBB- with Negative Outlook' and 'Baa3 with Negative Outlook' ratings, respectively, to your Company. Each of the above credit ratings is equivalent to India's sovereign rating, and is of investment grade.

(vi) **Cost of Borrowings**

The overall weighted average cost of resources raised during the financial year 2020-21 was 5.63% p.a. and for borrowings outstanding as on 31st March, 2021 is 7.68% p.a. (as compared to 7.80% p.a. as on 31st March, 2020). The weighted average incremental cost of borrowing through taxable bonds, worked out to 1 (one) bps lower than the Benchmark Yield of 'AAA' Rated CPSEs of equivalent tenor prevailing at different points in time when the borrowings were made during the course of the year, thereby enabling achievement of Excellent category MoU target for cost of borrowings. As a result, the Company was able to deliver debt financing for various Housing & Infrastructure projects, spread across the Country, at competitive rates.

The Company was able to achieve this feat through constant monitoring of the markets, proper timing of its borrowings and appropriate selection of instruments.

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

The Directors' are pleased to report that during the year under review, the Company successfully redeemed bonds and discharged its other debt obligations amounting to Rs 8308.48 crore in an efficient manner. These included Bonds valued at Rs. 2589.35 crore, Term Loans/ Short-Term loans from Banks and financial institutions worth Rs. 4,274.16 crore, foreign currency loans availed from Multilateral Agencies aggregating to Rs. 99.14 crore, Commercial Paper(s) of Rs.1,200 crore and public deposits of Rs.145.83 crore. The Company is set to honour scheduled obligations towards redemption of Bonds, repayment of other debt obligations amounting to around Rs. 6,445 crore during the next fiscal.

The Company's internal generations are adequate to meet the repayment/ redemption obligations. Surplus funds, if any, after meeting the repayment obligations are invested prudently in the form of fixed deposits with banks.

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

(viii) Unclaimed amount under HUDCO Bonds

Bonds aggregating to Rs. 10,00,75,224/- (inclusive of interest amount of Rs. 9,50,75,224) in respect of 3,212 bondholders remained unpaid as on 31st March 2021, as the same have yet not been claimed by the bond holders.

The details of amount remaining unclaimed are as under:

(in Rs.)

Financial Year	Principal		Interest		Total Amount
	Amount	No. of Holders	Amount	No. of Holders	
2018-19	1,50,00,000	5	7,29,54,415	2687	8,79,54,415
2019-20	50,00,000	4	7,80,77,353	2910	8,30,77,353
2020-21	50,00,000	4	9,50,75,224	3212	10,00,75,224

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

In respect of Bonds, the Company in terms of section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified on 5th September, 2016, is presently transferring unclaimed principal and/or interest, or both (if any), which are paid on due dates as per the terms of the Bonds, after 7 years from the maturity date of the Bonds to Investor Education and Protection Fund (IEPF).

During the financial year 2020-21, an amount of Rs. 4,67,120/- has been transferred to IEPF on account of Bonds, as per the provisions of the Companies Act, 2013.

(ix) Dematerialization of Bonds

During the financial year 2020-21, HUDCO has issued Unsecured, Taxable Bonds in dematerialized form only. With this, all Taxable Bonds, issued by the Company and outstanding as on 31st March, 2021 are in dematerialized form only. The Company has made necessary arrangement with NSDL and CDSL for issue of bonds in dematerialized form. The Company has also appointed Registrar & Transfer Agents (RTA) for maintaining the continuous electronic connectivity with NSDL/CDSL and investors.

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

(x) HUDCO Public Deposit Scheme

HUDCO, being a Housing Finance Company registered with National Housing Bank (NHB) is governed by provisions of Housing

Finance Companies (NHB) Directions, 2010 relating to Public Deposits.

HUDCO had discontinued accepting/renewing Public Deposit under the Public Deposit Scheme with effect from 1st July, 2019, accordingly, during the financial year 2020-21, no fresh deposits were accepted/renewed by HUDCO. Deposits of Rs. 145.83 crore were matured/paid to 693 depositors. The total amount outstanding under HUDCO Public Deposit Scheme was Rs. 22.78 crore from 523 depositors as on 31st March, 2021.

(xi) Unclaimed amount under HUDCO Public Deposit Scheme

As on 31st March, 2021, deposit(s) amounting to Rs 36,30,882/- (inclusive of Principal and Interest) from 30 depositors remains unclaimed.

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

During the financial year 2020-21, an amount of Rs 8,44,201/- remained unclaimed for more than seven years from the date of maturity and was transferred to the 'Investor Education and Protection Fund' (IEPF), as per the provisions of the Companies Act, 2013 and rules made thereunder.

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

At the close of the financial year 2020-21, the total resources of your Company stood at Rs. 76959.05 crore. Out of this, Equity Share Capital amounted to Rs. 2,001.90 crore, Reserves & Surplus stood at Rs. 11187.15 crore, Loans from Financial Institutions, Commercial Banks, Multilateral Institutions, Public Deposits and Market Borrowings through Bonds and Commercial paper accounted for Rs. 60977.96 crore, Deferred Tax Liabilities (Net) amounted to Rs. 633.68 crore and other liabilities & provisions stood at Rs. 2158.36 crore. These funds were deployed as Long/Short Term Loan & Advances of Rs. 74291.89 crore, Fixed Assets (net of depreciation) of Rs. 120.15 crore (including capital work-in-progress, Intangible Assets under development and Intangible Assets), Investments of Rs. 250.87 crore, Cash & Bank Balances of Rs. 1427.40 crore and other assets of Rs. 868.74 crore.

7. RISK MANAGEMENT IN HUDCO

HUDCO has a prudent and efficient risk management framework. The Company has in place Risk Management Policy and Operating Manual in compliance with the directions given by National Housing Bank (NHB) for management of the various risks. The Company has implemented an integrated risk management approach through which it reviews and assess significant risks on a regular basis to ensure that there is a robust system of risk controls and mitigation in place. Major risks identified for the Company, being in lending operations, are credit risk, operational risk, liquidity risk, market risk, and foreign currency risk, etc.

In compliance with the SEBI (LODR) Regulations, 2015, the Company has in place a 'Risk Management Committee' (RMC) which is headed by Part-time Official (Government) Director and comprises of Director (Corporate Planning) and Director (Finance) as its members. The Committee reviews the decisions/ recommendations of its three sub-committees namely:

- Assets & Liabilities Management Committee;
- Credit Risk Management Committee; and
- Operational Risk Management Committee

Assets & Liabilities Management Committee (ALCO) reviews the liquidity risks and ensures management of Assets and Liabilities mismatches through liquidity gap analysis, interest rate sensitivity analysis. The Assets Liabilities mismatch, if any, are being managed through the committed Bank lines, within the permissible limits as per NHB guidelines. During the year, 14 number of ALCO meetings were held.

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

Operational Risk Management Committee (ORMC) oversees and ensures the mitigation of operational risk both internal as well as external, like Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk, etc., to which your Company is susceptible by establishing & strengthening internal control systems and procedures and by providing adequate training to the employees. During the year, 4 meetings of the ORMC were held.

Constant efforts were made by the Company for management and mitigation of the various risks which are briefly described as under:

a) Credit Risk

To manage credit risks associated with business, the Company has in place a strong and effective credit appraisal mechanism containing comprehensive appraisal techniques/ guidelines ensuring timely repayments of principal & interest amount.

b) Operational Risk

To manage the operational risks both internal as well as external associated with the operations of the Company like technology risk, employee risk, capital asset risk, external risk, etc., the Company has established a strong reporting and monitoring mechanism. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational risk Factors and Key Risk Indicator (KRIs) from Regional Offices/ departments which are further reviewed and analysed for mitigation of operational risk.

c) Liquidity Risk

For management of liquidity risk, the Company has effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, term loans, etc., and the mismatch in the Asset and Liabilities, if any, are managed through the committed Bank lines.

d) Market Risk

The various market risks arising from fluctuations in interest rates and foreign currency exchange rates are periodically reviewed by the Company. Further, based on cost of funds and market scenario, the lending rates are determined. The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

e) Foreign Currency Risk

The Company has a Foreign Currency Risk Management policy for mitigation of risks associated with Foreign Currency fluctuations. To cover the risks associated with exchange rate and interest rate, your Company has entered into hedging transactions. As on 31st March, 2021, the total foreign currency liabilities are USD 26.20 million (INR 180.49 crore) and JPY 870.53 million (INR 58.52 crore) and 50.90 % of the foreign currency exchange rate risk is covered through hedging instruments.

8. JOINT VENTURE, ASSOCIATE AND SUBSIDIARY COMPANY

As on 31st March, 2021, your Company has three Joint Venture(s) namely Pragati Social Infrastructure & Development Limited (PSIDL); Shristi Urban Infrastructure Development Limited (SUIDL); Signa Infrastructure India Limited (SIIL), one Associate namely; Ind Bank Housing Limited (IBHL) and do not have any subsidiary Company.

HUDCO had invested Rs. 2.14 crore in the Joint Venture Companies {PSIDL – Rs. 0.13 crore (26%), SUIDL–Rs. 2.00 crore (40%), and SIIL–Rs. 0.01 crore (26%)}. HUDCO has decided to exit from these Joint Ventures, as the performance of these Joint Ventures was not found to be satisfactory. The Company is in the process of exiting from these Joint Ventures.

In the case of IBHL, an associate Company, HUDCO has invested Rs. 2.50 crore, being 25% of its paid-up equity share capital and HUDCO is also exploring possibility to dilute its stake. The investment in HUDCO books is appearing at Rs. 1 only.

9. INTERNAL FINANCIAL CONTROL POLICY AND INTERNAL AUDIT

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

Internal Audit

Your Company has a separate Internal Audit Department and head Internal Audit directly reports to the Chairman & Managing Director. During the year under review, internal audit of all the Regional Offices and major divisions of the Corporate Office were outsourced and carried out by Chartered Accountant firms and by in-house internal audit team. Comprehensive Internal Audit at Regional Offices have been carried out by Chartered Accountant firms. The significant Internal Audit observations compiled by Internal Audit Department were put up for consideration of the Audit Committee. Necessary action as per the direction of the Audit Committee is taken by the Internal Audit Department. Directions have also been issued to all concerned for adherence to the policies, guidelines and procedures and for timely compliance of Audit Observation.

10. INFORMATION TECHNOLOGY

With a view to manage its business in a more professional and efficient manner both on operational and financial front, your Company is in process of implementing ERP (Enterprise Resource Planning) and E-office system both at its Head Office and Regional Offices spread all over the country.

HUDCO is implementing complete integrated solution with, required Network upgradation, IT security and Disaster Recovery arrangements for enabling faster decision making in its various segments like accounting, human resources, lending, business intelligent and beyond, in a secured data environment, for which it has appointed M/s Intellect Design Arena Ltd, as System Integrator, M/s Deloitte India as Project Management Consultant and M/s Inspira as its Infrastructure Managed Service Provider. All the layer(s) required for implementation of ERP system have been made broadly operational. In technology stack layer, Lending, GL & HRMS modules have been deployed and HRMS module has been made partially operational. Data migration and other activities are under process.

To support the 'Green Initiatives' of Government of India and to make HUDCO, a paperless organization, your Company has taken initiative of implementing NIC's e-Office File Management System at Head Office, Regional Office - NCR and Human Settlement Management Institute (HSMI) and is in process of implementation in all other regional offices.

11. HUDCO – AN ISO 9001:2015 CERTIFIED COMPANY

HUDCO is an ISO 9001:2015 certified Company from National Accreditation Board for Certification Bodies (NABCB)/ United Accreditation Service (UKAS) through M/s United Registrar of Systems (URS) Certification Limited. The certification is valid for its major business processes covering Project and Retail Financing Services, Resource Mobilisation for funding, Consultancy Services through the Head Office and all Regional/Development Offices. Human Settlement Management Institute (HSMI) is also certified for Training, Research & Networking. HUDCO has implemented the revised framework of Quality Management System under ISO 9001:2015 for optimization of organizational effectiveness by introducing elements of robust risk framework policy in its appraisal process. Customer focus for continual improvements of system and processes is the key milestone business operations. QMS awareness cum audit training has been provided at Corporate Office, HSMI and various Regional Offices for HUDCO officials.

12. HUMAN SETTLEMENT MANAGEMENT INSTITUTE

During the financial year 2020-21, Human Settlement Management Institute (HSMI), the Research & Training Wing of HUDCO, has undertaken 44 Webinars/ Training Programmes covering 4712 professionals with following breakup:

- a) 13 Webinars/ Training programmes for State Agencies/ ULB officials/ HUDCO officials covering 1247 participants;
- b) 18 Webinars/ Online In-house Training programmes for HUDCO officials in the discipline of Law, Finance, Projects, IT and others on various topics with 3073 participations;
- c) 6 webinars for international participants of ITEC programme for 23 officers/ professionals from various countries;
- d) 1 e-ITEC online Training Programme for 14 participants of Brunei Daru ssalam;
- e) 4 Webinars/ Online Training programmes in association with CITYNET for 331 domestic/ international participants; and
- f) 2 Training programmes in physical form for in-service officials sponsored by DoPT covering 24 participants.

Under HUDCO Chair Programme sponsored by HSMI during the year, one Research Study on 'State of the Cities: India' has been completed by Institute of Social Sciences, New Delhi.

During the year 2020-21, 10 agencies were awarded 'Best Practices Awards' and 2 were awarded 'Certificates of Appreciation' out of 127 entries under 7 themes of HUDCO Best Practices Awards to improve the living environment in the Habitat Sector. The total evaluation/ selection process was conducted on e-platform during the pandemic by a panel of jury comprising of eminent professionals. The awards

were announced during the online celebration of World Habitat Day, 2020, organised by the Ministry of Housing and Urban Affairs, Government of India.

During the year, a special issue of 'Coffee Table Book' with compilation of award-winning entries under best practices since introduction of the HUDCO Best Practices Award in 2011-12 was released on-line during World Habitat Day celebration by Hon'ble Minister of Housing and Urban Affairs, Government of India. Further, two issues of 'Shelter' journal were released on-line in April & October, 2020.

13. HUMAN RESOURCES

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

To sustain in this competitive dynamic market, the Company regularly arranges capacity-building programmes for its employees under various functional areas. However, 2020-21 was a year of pandemic, therefore to avoid the health hazard, the online mode was followed for imparting training during the year in different professional fields. There were 35 online training programmes conducted in various spheres relevant to Company operations and for up gradation of employee's skills. A special thrust on health talks and online interaction of employees with health expert was also conducted in view of the pandemic and overall well-being of the employees to draw a work life balance in such challenging times.

HUDCO has always been conscious of women empowerment and gender equality and this is reflected in its yearly celebration of Women's Day on 8th March. This year also, there was an interaction of the management with women employees at Corporate Office and Regional Offices (through online mode) by observing all pandemic protocols. A dedicated workshop was also organized on 'Empowerment of Women through Spirituality'.

As on 31st March, 2021, HUDCO has a strength of 753 employees (comprising of 631 Executives and 122 Non-Executives) including 2 Functional Directors', 1 Chief Vigilance Officer and 229 women employees. The women employees constitute 30.41% of the total workforce. The Company maintains healthy, cordial and harmonious relations at all levels.

HUDCO has been complying with all the directives and guidelines issued by the Government of India regarding reservation for SC/ST/OBC/PwD/ Ex-Servicemen/ EWS. As on 31st March, 2021, the category-wise details along with the percentage are as under:

Total Employees	SC	ST	OBC	PwD	Ex-Servicemen
753	129	54	89	16	5
percentage	17.13	7.17	11.82	2.12	0.66

14. VIGILANCE

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

Vigilance Awareness Week was observed by the Company from 27th October to 2nd November, 2020, wherein various programmes were organized in the Head Office as well as at all the 21 Regional Offices throughout the Country. The programmes were the theme centric, declared by the CVC, i.e., 'Vigilant India, Prosperous India'. During the year, one day on-line training programme on 'Preventive Vigilance' was organized on 15th February, 2021 for the officials of HUDCO. During the year, routine and specific inspection of some Regional Offices was conducted which included random check of activities of Regional Office and specific examination of certain cases.

15. OFFICIAL LANGUAGE

During the year, your Company has taken various initiatives for progressive use of Rajbhasha Hindi in official work of HUDCO. To encourage the use of official language, HUDCO celebrated 'Rajbhasha Fortnight' in the month of September, 2020 in its Corporate Office and Regional Offices throughout the Country.

During the period, online competitions and workshops were organized and the prize(s) of Rs. 1,69,000 were awarded to the winners of various components of HUDCO's Hindi promotional scheme Rajbhasha Utkarsh Yojna.

Further, Parliamentary Committee on Official Language inspected HUDCO's Corporate Office on 6th October, 2020. The Committee has expressed its satisfaction with some observations over the implementation of Official Language Policy in the Corporate Office. It is also referential to mention that our Thiruvananthapuram and Guwahati Regional Offices have won the first prize and Ahmedabad Regional Office has won the second prize respectively from their concerned Town Official Language Implementation Committees (TOLIC/Narakas) for the best execution of Official Language policy in these offices.

HUDCO's Corporate Office has published its e-magazine 'Aawas Dhvani' besides, Bhopal, Dehradun, Jaipur, Raipur, Chandigarh, Mumbai, Bangalore, Bhubaneswar, Chennai, Kolkata and Thiruvananthapuram Regional Offices have also published their in-house magazine for promoting the official language in HUDCO system.

Department of Official Language (DoL), Ministry of Home Affairs, Government of India has assigned important responsibility to HUDCO for implementing Hindi in 50 PSU's located in Delhi through NARAKAS, DILLI UPKRM-2. With a view to promote Hindi and to achieve the target as set by DoL, NARAKAS has organized 55 Hindi promotional activities/ programmes, which include NARAKAS meetings, Sammelan, workshops, training programmes, competitions, seminars, award ceremony for the excellent work in Hindi. NARAKAS has been awarded with 3rd prize for the excellent performance in Hindi for the 'A' region during 2019-20 by the DoL.

16. COMPLIANCES OF VARIOUS ACTS/ GUIDELINES

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

HUDCO has constituted an 'Internal Complaint Committee' headed by a senior level woman official of the Company for redressal of complaints against sexual harassment of women employees in compliance of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Sexual Harassment in any form has been made as a misconduct under HUDCO (Conduct, Discipline and Appeal) Rules.

There was no complaint pending at the beginning of the year and no complaint was received during the year.

Public Grievance Redressal Mechanism of HUDCO

All matters related to Public Grievance(s), raised at Centralized Public Grievance Redress and Monitoring System (CPGRAMS) portal of Government of India and Grievance Registration & Information Database System (GRIDS) portal of National Housing Bank, have been dealt with by the Company in accordance with the laid down guidelines/procedures issued by Government of India and National Housing Bank respectively. The grievance redressal procedure of HUDCO has been further streamlined and appropriate grievance redressal mechanism and escalation matrix for receiving, registering and disposal has been put in place for each of its offices. During the year, all grievances have been resolved in a time bound manner.

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

In compliance of the Public Procurement Policy for Micro and Small Enterprises issued by the Government of India vide Micro and Small Enterprises (MSEs) Order 2012, your Company, during the year 2020-21, has made procurement amounting to Rs. 5.54 crore from MSEs, constituting 59.98 % of its total annual procurement inclusive of 6.77% of procurement made from MSEs owned by SC/ ST entrepreneurs amounting to Rs. 0.062 crore. Further, your Company has made procurement from women entrepreneurs amounting to Rs. 0.031 crore, constituting 3.36% of the total procurement. The Company has made all the payments due to MSME's within the stipulated time period and there has been no delay.

Right to Information Act

HUDCO has set up an appropriate mechanism to comply with all RTI matters received under the Right to Information Act, 2005 and all matters pertaining to RTI during the year have been dealt within the time frame as prescribed therein.

In order to achieve efficiency and to function in a transparent manner, the Company has proactively suo moto disclosed information effecting larger Public Interests on its website, thus reducing the need for filling RTI applications under the RTI Act by individuals.

During the period under review, all matters within the ambit of RTI Act, 2005 have been dealt within the prescribed timelines and there has not been any instance of non-compliance by the Company. Further, no penalties / stricture / adverse remarks have been imposed w.r.t. RTI on the Company by any Statutory Authority.

17. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) such accounting policies have been selected and applied them consistently (except for changes in accounting policies as disclosed in the Note to Accounts to the Financial Statements) and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual accounts have been prepared on a 'going concern' basis;
- e) the Company has laid down Internal Financial Controls to be followed and such internal financial controls are adequate and were operating effectively; and
- f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

18. MANAGEMENT DISCUSSION & ANALYSIS REPORT

In terms of the SEBI (LODR) Regulations, 2015 and DPE guidelines, Management Discussion & Analysis Report for the year ended 31st March, 2021, is annexed and forms part to this report.

19. CORPORATE GOVERNANCE

In compliance of the SEBI (LODR) Regulations, 2015 and DPE guidelines on Corporate Governance, a report on Corporate Governance together with certificate from Malhotra Arora & Associates, Company Secretaries in Practice, regarding compliance of the conditions of Corporate Governance is annexed and forms part to this report.

20. BUSINESS RESPONSIBILITY REPORT

In terms of regulation 34(2) of the SEBI (LODR) Regulations, 2015, the 'Business Responsibility Report' for the year ended 31st March, 2021 is annexed and forms part to this report.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

HUDCO, being a Government Company, where power to appoint Chairman & Managing Director, Whole Time Directors', Government Nominee Directors' and Independent Directors' on the Board of the Company, is vested with the President of India, and the same is exercised through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs (MoHUA), Government of India.

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

Chairman & Managing Director (CMD)

- a) Shri M. Nagaraj, (DIN: 05184848), Director (Corporate Planning) was assigned the current charge of the post of CMD, HUDCO by MoHUA, Government of India in two spells of three months each, i.e., from 7th January, 2020 to 6th April, 2020 and from 27th May 2020 to 26th August, 2020 respectively;
- b) Shri Shiv Das Meena, I.A.S. (DIN: 01881010), Additional Secretary, MoHUA, Government of India, was assigned the additional charge of the post of CMD, HUDCO by the MoHUA, Government of India during the period with effect from 21st April, 2020 to 18th May, 2020; and
- c) Shri Kamran Rizvi, I.A.S. (DIN: 01653503), Additional Secretary, MoHUA, Government of India, was assigned the additional charge of the post of CMD, HUDCO by the MoHUA, Government of India for a period of six month with effect from 22nd October,

2020 who was subsequently appointed as an Additional Director in terms of section 161 of the Companies Act, 2013 and Articles of Association of the Company.

Part-time Non-official (Independent) Director

Smt. Pratima Dayal (DIN: 06992866) and Dr. Sudip Kumar Nanda (DIN: 00315376) ceased to be Part-time Non-official (Independent) Director(s) with effect from 18th April, 2020 on completion of their term as per terms and conditions of their appointment.

As per requirements of section 152 of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof, for time being in force, read with the applicable rules, as amended] and Articles of Association of the Company, Shri M. Nagaraj, (DIN: 05184848), Director (Corporate Planning) being longest in office among the Directors' since his last appointment, is liable to retire by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

After the closure of the financial year under report, MoHUA, Government of India vide order dated 1st July, 2021 has extended the additional charge of the post of CMD, HUDCO assigned to Shri Kamran Rizvi, I.A.S., Additional Secretary, MoHUA, Government of India, for a further period of 6 months with effect from 22nd April, 2021 or till appointment of a regular incumbent to the post, or until further orders, whichever is the earliest;

Your Board placed on record its sincere appreciation for the valuable contribution made by outgoing Directors' during their association/tenure with the Company and extended a warm welcome to new Directors' for being part of HUDCO Board.

The Board of Directors of your Company recommends reappointment of Shri M. Nagaraj, (DIN: 05184848), Director (Corporate Planning), and Shri Kamran Rizvi as Chairman & Managing Director (Additional Charge) for approval of the members at the 51st Annual General Meeting, on the same terms and conditions as approved by the President of India.

Pursuant to the provisions of Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015, declaration from the Independent Directors' could not be obtained, since, the Company does not have any Independent Director on its Board.

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

KEY MANAGERIAL PERSONNEL

The details of Key Managerial Personnel including changes occurred during the year and thereafter are as under:

Sl. No.	Name of Key Managerial Personnel	Designation
1.	Shri Muniappa Nagaraj (From 07.01.2020 to 06.04.2020 & 27.05.2020 to 26.08.2020)	Chairman & Managing Director (Current Charge)
2.	Shri Shiv Das Meena (From 21.04.2020 to 18.05.2020)	Chairman & Managing Director (Additional Charge)
3.	Shri Kamran Rizvi (From 22.10.2020 onwards)	Chairman & Managing Director (Additional Charge)
4.	Shri Muniappa Nagaraj	Director – Corporate Planning
5.	Shri D. Guhan	Director – Finance & Chief Financial Officer
6.	Shri Harish Kumar Sharma	Company Secretary

22. SECRETARIAL AUDITORS & AUDIT REPORT

In compliance of section 204 of the Companies Act, 2013 and rules made thereunder, M/s Malhotra Arora & Associates, Company Secretaries in Practice, has been appointed as Secretarial Auditors for the financial year 2020-21.

Secretarial Audit Report given by the Auditors confirming compliance to the applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable laws. They have referred to certain observations, which are self-explanatory.

23. AUDITORS & AUDITORS REPORT

As per section 139(5) of the Companies Act, 2013, the Statutory Auditors of your Company is appointed by Comptroller and Auditor General of India (CAG). M/S APRA & Associates LLP, (regd. no. DE2438), Chartered Accountants, New Delhi has been appointed as Statutory Auditors of your Company for the financial year 2021-22 by the CAG.

M/s Prem Gupta & Co., Chartered Accountants (firm reg. no. 000425N), New Delhi, the Statutory Auditors had conducted the audit of the financial statements (both standalone and consolidated) for the financial year 2020-21 and submitted their report thereon. The comments of the Statutory Auditors on the financial statements along with management reply thereon are annexed and forms part of the report. Notes on financial statement referred to in the Auditors Report are self-explanatory.

Comments of Comptroller and Auditor General of India (CAG)

The comments of the CAG on the audited financial statements (both standalone and consolidated) for the financial year 2020-21 under section 143 of the Companies Act, 2013 are in process and will be made part of the Director's Report by way of addendum, along with management reply, thereon, if requires.

24. STATUTORY DISCLOSURES**(i) Corporate Social Responsibility Committee**

As on 31st March, 2021, the composition of 'Corporate Social Responsibility' Committee of the Board, consists of three members namely: Shri M. Nagaraj, Director (Corporate Planning), Shri Amrit Abhijat, Part-time Official (Government) Director and Shri D. Guhan, Director (Finance). The Committee was headed by Director (Corporate Planning).

In the absence of Independent Directors', the Committee was constituted from the available Board members as process of appointment of Independent Director(s) is in process with the Ministry of Housing and Urban Affairs, Government of India, being the Administrative Ministry and appointing authority. On appointment of Independent Directors', the Committee will be reconstituted to make its composition in conformity with the provisions of the Companies Act, 2013.

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

During the year, the Company has spent/released a total amount of Rs. 7.44 crore on CSR activities, however, based on utilization certificate received from the agencies, an amount of Rs. 5.74 crore has been booked in the financial statements as an amount utilized during the financial year 2020-21.

In compliance with the Ministry of Corporate Affairs, Government of India notification dated 22nd January, 2021, the Company has transferred an amount of Rs. 80,19,41,235/- to the Special Account opened with State Bank of India named as 'Unspent Corporate Social Responsibility Account' being the unspent amount out of total amount available/allocated for the CSR activities within the schedule time.

Further, the requisite amount not relating to ongoing projects, i.e., with respect to projects which have been closed /not been sanctioned out of allocated CSR budget will be transferred to a fund specified in Schedule VII of the Companies Act, 2013 within the stipulated time period, i.e., up to 30th September, 2021.

The Annual Report on CSR activities for the financial year 2020-21 giving reasons as to non-spending of entire amount earmarked for CSR activities along with other details is annexed hereto forming part of the Directors' Report;

(ii) Board and its Committees

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

(iii) Particulars of Loans, Guarantee or Investments

The necessary disclosures with respect to loan made, guarantee given or securities provided by the Company in its ordinary course of business have not been given, since, provisions of section 186 of the Companies Act, 2013, are not applicable to your Company, being a Housing Finance Company. The detail with respect to investments made by the Company forms part of the

financial statements for the year 2020-21;

(iv) Extract of Annual Return

In compliance of section 92(3) of the Companies Act, 2013 read with the rules made thereunder, the extract of Annual Return as at 31st March, 2021 is annexed and forms part to this report. The same may also be assessed at Company website at:

https://www.hudco.org//Site/FormTemplate/frmTemp1PLargeTC1C_P.aspx?MnId=391&ParentID=326

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

Energy Conservation and Technology Absorption

There are no significant particulars, relating to conservation of energy and technology absorption as your Company does not own any manufacturing unit/ facility.

As HUDCO is an energy conscious organization and is fully committed to support the Government of India programmes towards conservation of energy, for which it has taken number of measures/initiatives on continuous basis towards conservation and optimum utilization of energy in all its offices like replacing CFL with LED lights, maximum use of natural lights in its day-to-day operations and replacement of high-power consuming equipment's with low energy consuming equipment's.

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

Foreign Exchange Earnings and Outgo

During the year, the inflow on account of foreign exchange transaction was Rs. 1.18 crore (previous year Rs. 2.82 crore) while foreign exchange outgo/ expenditure was Rs. 3.30 crore (previous year Rs. 7.08 crore);

- (vi) As per notification dated 5th June, 2015, issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with provisions of section 197 of the Companies Act, 2013. As your Company is a Government Company, hence, such particulars have not been included as part of the Directors' Report;
- (vii) During the financial year, all the existing related party transactions were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transaction(s) made by the Company, which may have a conflict with the interest of the Company. Further, there was no contract or arrangement entered into by the Company as listed under section 188 of the Companies Act, 2013;
- (viii) The Company has followed the applicable Secretarial Standards issued by Institute of Company Secretaries of India (ICSI);
- (ix) There is no change in the nature of business of the Company during the year;
- (x) There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of your Company in future;
- (xii) As per notification dated 5th June, 2015, issued by the Ministry of Corporate Affairs, Government of India, Government Companies are exempted from complying with provisions of section 178(3) of the Companies Act, 2013 with respect to matters pertaining to Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided therein;
- (xiii) The Auditors have not reported any material case of frauds by the Company or on the Company by its Officers or Employees under section 143(12) of Companies Act, 2013, hence, disclosure under section 134(3)(ca) of the Act, is not required;
- (xiv) Pursuant to the requirements of SEBI (LODR) Regulations, 2015, and DPE Guidelines on Corporate Governance, all the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year ending 31st March, 2021. A declaration made by Chairman & Managing Director in this regard is annexed and forms part of this report; and
- (xv) As per regulation 25(10) of the SEBI (LODR) Regulations, 2015, top 500 listed Companies are required to have Directors' & Officers Insurance for all Independent directors with effect from 1st October, 2018. HUDCO had in place D&O Policy for Independent Directors' valid up to 11th March, 2021. As, HUDCO does not have any Independent Director on its Board since, 18th April, 2020,

for appointment of whom request has been made to the Ministry of Housing and Urban Affairs, Government of India, being the Administrative Ministry and Appointing Authority and the same is in process, hence, the insurance policy for Independent Directors' has not been obtained and the process for obtaining the same will be initiated on appointment of Independent Directors' by the Administrative Ministry.

25. FUTURE OUTLOOK - MEDIUM AND LONG TERM STRATEGIES

The rampant spread of COVID-19 pandemic has disrupted the economy of the World at large, to which India is not an exception. The World Bank and Credit Rating agencies have downgraded India's growth for the fiscal 2021. HUDCO, being a leading housing finance Company supporting housing and housing related infrastructure activities, have impacted on its operations post COVID-19 pandemic. The future outlook both medium and long-term strategies are summarised hereunder:

- a) The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) Mission has been allocated Rs. 7,300 crore in the budget estimates of 2021-22; HUDCO will make all out efforts to tap potential business for viability gap funding;
- b) Inadequacies in health infrastructure during COVID-19 pandemic posed lot of challenges to administration all over the Country, which necessitates most modern and newer health facilities all over Country, HUDCO would continue to fund Social Infrastructure Projects like Health Center, Government Hospitals, Medical Colleges, etc., being a priority sector lending for HUDCO, as the State Governments would be requiring huge funds to expand their Health Care Infrastructure;
- c) HUDCO may fund Urban Metro Rail projects of all major cities, as the Government is keen to expand the metro network in different cities and looking for external participation for such projects;
- d) The Government of India has launched for 'Swachh Bharat Mission- 2.0' (SBM-2) with an allocation of Rs. 1.41 lakh crore for five years from 2021 till 2026, to focus on safe sanitation, water harvesting and recycling. 'Swachh Bharat Mission' a flagship program of Government of India, where, HUDCO has not funded any project under this mission and State Governments will be approached for financing such projects;
- e) As part of the Pradhan Mantri Awas Yojana (PMAY) - Urban, Housing for All, a flagship program of Ministry of Housing and Urban Affairs, Government of India, HUDCO is providing all the necessary support like appraisal and monitoring of projects in various States. Further, for meeting the funds requirement of State/Urban Local Bodies (ULB) share in projects under PMAY also, HUDCO is offering loan assistance to meet the gap beyond the grant available from Government of India. As a nominated Central Nodal Agency (CNA) for CLSS, HUDCO is committed in making the scheme a grand success, so that a large number of beneficiaries avail the subsidy under the programme and are able to fulfill their dream of owning a house of their own; and
- f) Smart city project is one of the diversified fields in the core infrastructure sector for HUDCO financing. An allocation of Rs. 6450 crore has been made for this mission in the Union budget of 2021-22. Further, Nitti Aayog has also envisaged that Private investment needs to be encouraged in infrastructure through a renewed public-private partnership (PPP) mechanism on the lines suggested by the Kelkar Committee. These opportunities can be utilized by HUDCO, by encouraging funding to entities, which are promoted by government or backed by the government.

26. STATUTORY AND OTHER INFORMATION REQUIREMENT

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

Particulars	Annexure
Management Discussion & Analysis Report	1
Corporate Governance Report	2
Business Responsibility Report	3
Secretarial Audit Report	4
Annual Report on CSR Activities	5
Extract of Annual Return	6
Declaration of the Code of Conduct	7
Management Reply to the comments of the Statutory Auditors on the financial statements	8
Comments of the Comptroller and Auditors General of India	9

27. ACKNOWLEDGEMENTS

The Board of Directors of your Company expresses their sincere gratitude to the Government of India, especially the Ministry of Housing and Urban Affairs, Ministry of Rural Development, Ministry of Finance, Reserve Bank of India, National Housing Bank, Ministry of Corporate Affairs, Department of Public Enterprises, Regulatory/ Statutory Authorities and various other departments of the Central/ State Governments for the continued guidance, co-operation, and support.

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

The Board also wish to place on record its thanks to BSE Limited, National Stock Exchange of India Limited, National Securities Depository Limited, Central Depository Services (India) Limited, Credit Rating Agencies, Registrar & Transfer Agents and other agencies for extending their continued cooperation and support.

The Board also thanks the Comptroller & Auditor General of India, Statutory Auditors, Secretarial Auditors and other professionals associated with the Company for providing their valuable contribution.

The Board of Directors would also like to place on record its sincere appreciation for the continued and unstinting efforts put in by the dedicated employees at all levels towards the growth of the Company.

For and on behalf of the Board of Directors

Sd/-
Kamran Rizvi
Chairman & Managing Director
(DIN: 01653503)

Place : New Delhi
Dated : 6th September, 2021

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

According to the provisional estimates of national income by the National Statistical Office (NSO) in May, 2021, India's real GDP has contracted by 7.3% during 2020-21 as compared to 4% growth in 2019-20. During the Q1 and Q2 of 2020-21, the GDP registered negative growth rates of 24.4 % and 7.4% respectively. Subsequently, in the last two quarters of 2020-21, the GDP growth rates were positive registering growth of 0.5% in Q3 and 1.6% in Q4. (Press note dated 31st May, 2021 on provisional estimates of annual national income 2020-21, NSO, MoSPI). The overall economic performance in 2020-21, thus clearly reflected the negative impact of the COVID-19 pandemic.

The Government considers 'Housing for All' and affordable housing as priority areas. In the July, 2019 budget, the Government had provided an additional deduction of interest in tax benefit, amounting to Rs.1.5 lakh, for loan taken to purchase an affordable house. In the 2021-22 budget, the Government extended the eligibility of this deduction by one more year upto 31st March 2022. Further, to keep up the supply of affordable houses, affordable housing projects has been accorded a tax holiday for one more year till 2021-22. (Source: Budget speech 2021-22)

The Government also laid emphasis on infrastructure sector. The budget 2021-22 envisaged to augment funds for National Infrastructure Pipeline (NIP) in three ways, by creating the institutional structures, big thrust on monetizing assets and thirdly by enhancing the share of capital expenditure in Central and State budgets. Accordingly, in the budget 2021-22, the Government has announced setting up of a professionally managed Development Financial Institution to act as a provider, enabler and catalyst for infrastructure financing. A sum of Rs. 20,000 crore has been provided in the budget to capitalise this institution. Monetizing operating public infrastructure assets was regarded as an important financing option for new infrastructure construction. In this regard, it was announced that a 'National Monetization Pipeline' of potential brownfield infrastructure assets and an asset monetization dashboard would be created to provide visibility to investors. Under this programme, Railways will monetise dedicated freight corridor assets for operations and maintenance after commissioning and the next lot of airports will be monetised for operations and management concession. Other core infrastructure assets that would be rolled out under the asset monetization programme are NHAI operational toll roads, transmission assets of Power Grid Corporation, oil and gas pipelines of GAIL, IOCL and HPCL, AAI Airports, Warehousing assets of CPSEs. (Source: Budget speech 2021-22).

2. STRENGTHS AND WEAKNESSES

HUDCO has a strong brand image and continues to be among the leading techno-financial institutions in the public sector, supporting the housing and infrastructure development initiatives in the Country. The Company has long-term association with State Governments and State level agencies like Development Authorities, Housing Boards, Urban Local Bodies, etc. The operations cover the entire Country, through its network of 21 Regional Offices and 11 Development Offices in addition to its Corporate Office located in New Delhi.

HUDCO has a strong talent pool with multi-disciplinary professionals from Finance, Law, Architecture, Civil Engineering, Urban and Regional Planning, Information Technology, Economics, Human Resources, Public Relations, etc. HUDCO has a separate and well-equipped training institute called Human Settlement Management Institute (HSMI) for research and training for skill up-gradation for in-house professionals as well as professionals from both within the country and abroad.

HUDCO is also one of the Central Nodal Agencies (CNA) for channelizing the subsidy under the Credit Linked Subsidy Scheme of 'Housing for All' (Urban) under the Pradhan Mantri Awas Yojana. HUDCO is also involved in desk and site scrutiny of Pradhan Mantri Awas Yojana- 'Housing for All' (Urban) projects under three verticals - In Situ Slum Redevelopment (ISSR), Affordable Housing in Partnership (AHP) and Beneficiary-Led Individual House Construction (BLC).

Some of the weaknesses that the Company faces include limited access to low-cost funds like floating 54-EC capital bonds and raising ECB funds, difficulty in getting State Governments Guarantee/Budgetary Support for major borrowings due to poor financial status of many State Governments and their agencies and exposure norms of regulator limiting the extent of lending by HUDCO despite having demand in few States.

3. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The process of urbanization is also characterized by an increase in the number of large cities. According to Census 2011, about 377.10 million (31.2%) people reside in urban areas and 53 cities in India had million plus population. At current rate of growth, urban population in India is estimated to reach a staggering 575 million by 2030 A.D.

As the pace of urbanisation gathers considerable momentum, the magnitude of housing requirements and the pressure on urban infrastructure & services will also increase. Government of India has been formulating policies and programmes for tackling these issues. In view of the huge financial requirements for housing and urban infrastructure sectors and the emerging business environment, there are many potential target markets which HUDCO is poised to explore for business promotion, besides its traditional functions in social housing and core Infrastructure. To meet the challenges posed by rapid urbanisation, Government of India has launched a number of flagship programmes like 'Pradhan Mantri Awas Yojana (PMAY) - Housing for All' both for urban and gramian areas, development of Smart Cities, development of infrastructure in secondary cities through 'Atal Mission for Rejuvenation and Urban Transformation (AMRUT)' and Swachh Bharat Mission, etc. HUDCO can explore opportunities to participate in these missions by providing financial assistance. Housing and Infrastructure sector activities have significant multiplier effects on the other sectors of the economy.

In the prevailing market condition, HUDCO has to accept increasing level of competition from banks and financial institutions. HUDCO has witnessed loss of business to banks and financial institutions owing to lower interest rates offered by them. At times, HUDCO has to offer lower rates of interest to get projects from State Governments, which has bearing on our margins.

4. SEGMENT WISE OR PRODUCT WISE PERFORMANCE

During the year under review, HUDCO operates only in one segment and has no other reportable segment, hence, segment wise performance, has not been given. Further, product/ sector wise performance, during the year ended 31st March, 2021 has been given in the financial statements.

5. OUTLOOK

The commitment of Government of India to achieve the Sustainable Development Goals (SDGs) can be realised only if actions at the National level are complimented by initiatives of the State Governments/Union Territories (UTs) and Urban Local Bodies. The States/ UTs have the prime responsibility in achieving SDGs and are essential stakeholders in implementing the agenda 2030. Out of the 17 SDGs, Goal 11 – 'Make Cities and human settlements inclusive, safe, resilient and sustainable' is central to the Ministry of Housing and Urban Affairs (MoHUA), Govt. of India. As per the High-Powered Expert Committee (HPEC), fund requirement for urban infrastructure during the period 2012-31 has been estimated at Rs. 39.2 lakh crore.

COVID-19 pandemic outbreak has adversely impacted the economic performance across the world. In the major industrialised economies of the world, the disease has threatened human lives and economic activities in a big way. Indian economy is also likely to be impacted in a major way due to the current pandemic. The economic slowdown will impact all sectors in the economy including the Housing and UI sectors. HUDCO has to keep up with the challenges of the current scenario and strive to continue business with various State Government agencies. HUDCO would continue to utilise its core strength of techno-financing capability to retain its pre-eminent position in the housing and urban development sector.

6. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company has a robust Internal Control System in place, commensurate with the size and complexity of the organization, the detail with respect thereto have been given in the Directors' Report.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

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

In preparation of financial statements, the Company has followed Indian Accounting Standards notified under the Companies (Indian Accounting Standard), Rules, 2015 (as amended) with effect from 1st April, 2018 issued by the Ministry of Corporate Affairs.

Information pursuant to schedule-V of SEBI (LODR) Regulations 2015 - (i) There is no significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios viz. Debtors Turnover Ratio (Not applicable to HUDCO being a HFC), Inventory Turnover Ratio (Not applicable to HUDCO being a HFC), Interest Coverage Ratio, Current Ratio (Not applicable to HUDCO being a HFC and due to maintenance of Accounts as per IndAs), Debt-Equity Ratio, Operating profit margin and Net profit margin during the year 2020-21 as compared to the previous year 2019-20; and (ii) The Return on Net Worth during the year 2020-21 is 11.97% as against the 13.84% during the year 2019-20 resulting in insignificant decline (13.51%) over the previous year due to marginal decrease in the Profit after Tax.

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

HUDCO is giving utmost importance to Human Resource Development and is following the best management practices prevalent in

the industry. The Company believes that the quality of employees is the key to its success, thus is fully committed to upgrade their skills, for which it organizes various capacity-building programs, in house as well as in association with various reputed institutes.

The Company is fully committed to provide safe and hygienic work environment to its employees. Considering the health and safety of employees, advisories, orders and directions issued by the Central and State Governments to restrict the spread of novel corona virus have been fully implemented including work from home policy. The Company has prepared and implemented a systematic operating plan to address the issues pertaining to COVID-19.

As on 31st March, 2021, HUDCO has a strength of 753 employees as against 788 in the previous year. Further, HUDCO had 229 women employees, representing 30.41% of the workforce.

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

There are no significant particulars, relating to environmental protection and conservation, technological conservation, renewable energy developments, etc., since your Company is not engaged in any manufacturing activity, however, details with respect thereto has been explained in the Directors' Report.

10. CORPORATE SOCIAL RESPONSIBILITY

The position with respect to Corporate Social Responsibility and Annual Report on CSR activities for the financial year 2020-21, has been explained/ annexed with the Directors' Report.

11. CAUTIONARY STATEMENT

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

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 6th September, 2021

Sd/-
Kamran Rizvi
Chairman & Managing Director
(DIN: 01653503)

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

HUDCO, being a responsible listed Central Public Sector Enterprise (CPSE) aims to enhance its customer's satisfaction, maximize their value and confidence in the Company by ensuring transparency in all its areas of operations with special emphasis on financial prudence and accountability. The Company is fully committed to further strengthen the Corporate Governance practices by following the applicable laws, rules, regulations and guidelines issued by the Securities and Exchange Board of India (SEBI), Department of Public Enterprises (DPE) and other authorities from time to time.

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

2. BOARD OF DIRECTORS

(a) Composition and Category of Directors

HUDCO is a Government Company under the administrative control of the Ministry of Housing and Urban Affairs (MoHUA), Government of India.

As per Articles of Association of the Company, the power to appoint all the Director(s) including Chairman & Managing Director (CMD) on the Board of HUDCO vests with the President of India, which is exercised through the Administrative Ministry, i.e., MoHUA, GoI. Further, as per Articles of Association, the number of directors on the Board of your Company shall not be less than three and more than fifteen.

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, HUDCO requires to have at least half of its Directors' on the Board as Part-time Non-official (Independent) including one-Woman Director, as Chairman in HUDCO is holding an Executive position. Further, as per Companies Act, 2013, HUDCO requires to have one third of the total number of directors as Independent Directors' including one Woman Director.

As on 31st March, 2021, HUDCO Board comprised of five directors, out of which three directors were functional Directors' including CMD, (additional charge of the post of CMD was assigned to the Additional Secretary, MoHUA, GoI) and two Part-time Official (Government) Directors', the details of which is as under:

Sl. No.	Name	Category
Whole Time Directors' (Executive Directors')		
1.	Shri Kamran Rizvi (DIN: 01653503)	Chairman & Managing Director (Additional Charge)
2.	Shri M Nagaraj (DIN: 05184848)	Director (Corporate Planning)
3.	Shri D Guhan (DIN: 06757569)	Director (Finance)
Part-time Official (Government) Directors'		
4.	Shri Amrit Abhijat (DIN: 03022727)	Director
5.	Shri Shyam Sunder Dubey (DIN: 06601151)	Director

Notes:

- The President of India, through the Ministry of Housing and Urban Affairs (MoHUA), Government of India, being the Administrative Ministry and Appointing Authority had assigned:
 - the current charge of the post of Chairman & Managing Director, HUDCO, twice to Shri Muniappa Nagaraj, Director (Corporate Planning) for a period of three months each from 7th January, 2020 to 6th April, 2020 & from 27th May, 2020 to 26th August, 2020 vide its order(s) dated 7th January, 2020 and 27th May, 2020 respectively;

- b) the additional charge of the post of Chairman & Managing Director, HUDCO, to Shri Shiv Das Meena, I.A.S. Additional Secretary, MoHUA, GoI during the period with effect from 21st April, 2020 to 18th May, 2020 vide order dated 21st April, 2020; and
 - c) the additional charge of the post of Chairman & Managing Director, HUDCO, to Shri Kamran Rizvi, I.A.S. Additional Secretary, MoHUA, GoI twice during the period with effect from 22nd October, 2020 to 21st April, 2021 vide order 22nd October, 2020 and from 22nd April, 2021 for a period of 6 months vide order 1st July, 2021;
2. All the directors available during the financial year 2020-21, had effectively participated in the Board/ Committee Meetings and contributed substantially towards the growth of the organization.

Presently, HUDCO does not have any Part-time Non-official (Independent) Directors' including one Woman Director on its Board, accordingly composition of the Board of Directors is not in conformity with the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and DPE guidelines.

The power to appoint all the directors on the Board of HUDCO, i.e., Functional Directors' including Chairman & Managing Director, Part-time Official (Government) Directors' and Part-time Non-official (Independent) Directors' is vested with the President of India which is exercised through MoHUA, Government of India, being the Administrative Ministry and Appointing Authority. Accordingly, MoHUA has been requested from time to time to appoint the requisite number of Part-time Non-Official (Independent) Directors' including one woman director on the Board of the Company and the same is in process.

Directors' Profile

The Directors on the Board of your Company are appointed by the President of India taking into consideration various skills, expertise and competence of candidates with reference to the business of the Company. The Board members comprises of professionals, having skills/expertise and competence in diverse fields like administration, finance, management, law, etc. Their wide range of skills, expertise and competency enhances the quality of the Board's decision-making process. The brief profile of Board Members, as on the date of signing of this report, is given hereunder:

Kamran Rizvi, I.A.S.
Chairman & Managing Director
(DIN: 01653503)

Shri Kamran Rizvi, aged 54 years an Indian Administrative Services (IAS) Officer of 1991 batch of Uttar Pradesh cadre, has been assigned the additional charge of the post of Chairman & Managing Director, HUDCO with effect from 22nd October, 2020 by the Ministry of Housing and Urban Affairs (MoHUA), Government of India. Presently, Shri Rizvi is an Additional Secretary in the MoHUA, GoI.

Shri Rizvi, did his B. Tech and M. Tech in Mechanical Engineering from IIT Delhi and subsequently joined Indian Administrative Services. Shri Rizvi has to his credit rich experience of around 29 years of service as Civil Servant, serving in various important capacities both in the State and the Centre. In the State of Uttar Pradesh, he served important Ministries and departments in various capacities and some remarkable positions include Principal Secretary, Secretary, Development Commissioner, Commissioner, Director General, Chairman-cum Managing Director and Secretary to the Chief Minister. Subsequently, Shri Rizvi joined the Government of India's Ministry of Rural Development, first as Joint Secretary and subsequently elevated to the position of Additional Secretary in the same Ministry, where he has hugely contributed to the World's largest employment programme, i.e., MGNREGA by using ICT and innovation.

Pursuant to provisions of Section 161 of the Companies Act, 2013 read with Articles of Association of the Company, Shri Rizvi who has been appointed as an Additional Director to hold office upto the date of ensuing Annual General Meeting, will be reappointed as director at the ensuing Annual General Meeting, on the same terms and conditions as approved by the President of India.

Shri Rizvi is holding directorship in five companies other than HUDCO namely: NBCC (India) Limited (a listed Company), Noida Metro Rail Corporation Limited, National Capital Region Transport Corporation Limited, India International Convention and Exhibition Centre Limited and Uttar Pradesh (Paschim) Ganna Beej Evam Vikas Nigam Limited as Nominee Director.

Further, Shri Rizvi is a member of the Audit Committee in National Capital Region Transport Corporation Limited.

Muniappa Nagaraj
Director (Corporate Planning)
 (DIN: 05184848)

Shri M Nagaraj, aged 54 years, is a Director (Corporate Planning) of the Company, since, February 1, 2019.

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

Shri Nagaraj has around 30 years of vast experience in multitude of sectors such as Housing Infrastructure Finance, Skill Development & Micro Finance in Social Sector and International Trading, with strong fundamentals in Managerial Capabilities and e-governance for corporate sector.

Shri Nagaraj, served PEC Limited (formerly Projects and Equipment's Corporation of India Limited) under the Ministry of Commerce and Industry as its Chairman & Managing Director. He was also Managing Director in National Safai Karmacharis Finance and Development Corporation under the aegis of Ministry of Social Justice and Empowerment. Before that, he was Director in IIFCL Projects Limited (a group Company of India infrastructure Finance Corporation Limited) and also General Manager in IIFCL under Ministry of Finance, handling the portfolios of Project Finance especially Take-out Finance Scheme of IIFCL, Board Secretariat, Vigilance Activities, Business Development, etc.

Shri Nagaraj has been assigned the current charge of the post of Chairman & Managing Director, HUDCO by the Ministry of Housing and Urban Affairs, Government of India twice for a period of three months each from 7th January, 2020 to 6th April, 2020 and again from 27th May, 2020 to 26th August, 2020.

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

Shri Nagaraj holds directorship in two unlisted entities other than HUDCO namely: Bangalore Metro Rail Corporation Limited and National Industrial Corridor Development Corporation Limited. He does not hold membership of Committees of the Board in other Companies. Detail of membership of various Committees in HUDCO is given separately in this report.

D Guhan
Director (Finance) & Chief Financial Officer
 (DIN: 06757569)

Shri D. Guhan, aged 57 years, is Director (Finance) & Chief Financial Officer of the Company, since, December, 2019. He has been associated with the Company since May, 1987 in various capacities both at Corporate and Regional Offices in the Accounts, Finance and as head of the Regional Office.

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

Shri Guhan has to his credit over 34 years of wide exposure in credit appraisal of Project Finance pertaining to Housing and Infrastructure. During his career, Shri Guhan handled various disciplines like Finance and Accounts, Taxation, Resource Mobilization, Loan Accounting, Treasury management, Audit of Financial Statements, Investor Relations and IPO Management. He has been associated with the computerisation of the financial and loan accounting functions.

Shri Guhan is not holding directorship/membership of the Committees of the Board in any Company other than HUDCO. Detail of membership of various Committees in HUDCO is given separately in this report.

Amrit Abhijat, I.A.S.
Part-time Official (Government) Director
 (DIN: 03022727)

Shri Amrit Abhijat, aged 53 years, an Indian Administrative Services (IAS) Officer of 1995 batch of Uttar Pradesh cadre, is a Part-time Official (Government) Director on the Board of the Company, since 1st June, 2018 onwards. Presently, he is serving as Joint

Secretary and Mission Director, Ministry of Housing and Urban Affairs, Government of India, looking after its flagship programme of Housing for All/Pradhan Mantri Awas Yojna (Urban).

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

Shri Abhijat with over 26 years of distinguished career and extensive expertise in Administrative Functions, held various important positions with the Government of Uttar Pradesh like Secretary in the Ministries of Home, Information, Technical Education, Tourism and Agri-marketing.

Shri Abhijat holds directorship in two unlisted entities other than HUDCO namely: Hindustan Prefab Ltd., and Agra- Mathura City Transport Services Limited. He is member of the Audit Committee and Remuneration Committee with Hindustan Prefab Limited. Detail of membership of various Committees in HUDCO is given separately in this report.

Shyam Sunder Dubey, I.C.A.S.

Part-time Official (Government Nominee) Director

(DIN: 06601151)

Shri Shyam Sunder Dubey, aged about 56 years is an Indian Civil Accounts Services (ICAS) Officer of 1989 batch, is a Part-time Official (Government) Director on the Board of the Company, since 8th August, 2019 onwards. Presently, he is serving as Joint Secretary & Financial Advisor in the Ministry of Housing and Urban Affairs, Government of India.

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

Shri Dubey has around 32 years of rich, varied and multi-disciplinary experience in the field of Public Financial Management, Programme/Project Management of managing Govt's welfare schemes, i.e., PDS, Accounting, Performance and Efficiency Audit of schemes, Budgeting, Public Expenditure Management and Procurement. In the past, Shri Dubey served in various important position with different Ministries like Financial Adviser, Bank Note Press, Ministry of Finance, Deputy Secretary in Ministry of Food, Consumer Affairs and Public Distribution, Head, Procurement and Logistics, UN World Food Programme, Chief Controller of Accounts, Department of Industrial Policy and Promotion and also in the Ministry of Housing and Urban Affairs.

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

Apart from HUDCO, Shri Dubey is Chairman of the Audit Committee in Maharashtra Metro Rail Corporation Limited, Noida Metro Rail Corporation Limited & Hindustan Prefab Limited and member of the Audit Committee in NBCC (India) Limited (listed entity), Kolkata Metro Rail Corporation Limited, Mumbai Metro Rail Corporation Limited, and Uttar Pradesh Metro Rail Corporation Limited. Details of membership of various Committees in HUDCO is given separately in this report.

(b) Attendance Record and Directors'hip/Committee Position for the period commencing from 1st April, 2020 to 31st March, 2021

Sl. No.	Name of the Director(s)	No. of Board Meeting(s)		Last AGM Attended (held on 30.9.2020)	Number of directorship/ Committee membership excluding HUDCO held as on 31.03.2021	
		Held during their tenure from 01.04.2020 to 31.03.2021	Attended		Total Directors'hip (Including listed entity)	Committee Chairmanship/ Membership
1.	Shri Kamran Rizvi (from 22.10.2020)	05	05	NA	5	0
2.	Shri M Nagaraj	09	09	Yes	2	-

Sl. No.	Name of the Director(s)	No. of Board Meeting(s)		Last AGM Attended (held on 30.9.2020)	Number of directorship/ Committee membership excluding HUDCO held as on 31.03.2021	
		Held during their tenure from 01.04.2020 to 31.03.2021	Attended		Total Directors'hip (Including listed entity)	Committee Chairmanship/ Membership
3.	Shri D Guhan	09	09	Yes	-	-
4.	Shri Amrit Abhijat	09	09	Yes	2	-
5.	Shri Shyam Sunder Dubey	09	09	Yes	8	1
6.	Shri Shiv Das Meena (from 21.04.2020 to 18.05.2020)	00	00	NA	NA	NA

Notes:

- Shri Shyam Sunder Dubey, Part-time Official (Government) Director also attended the 50th Annual General Meeting in the capacity of Chairman of the 'Audit Committee' and 'Stakeholders Relationship Committee';
- Shri Amrit Abhijat, Part-time Official (Government) Director also attended the 50th Annual General Meeting in the capacity of Chairman of the 'Nomination and Remuneration Committee';
- Shri Kamran Rizvi and Shri Shyam Sunder Dubey also holds the position of government nominee Director on the Board of NBCC (India) Limited, a listed entity;
- None of the Directors' is a member of more than 10 Committee(s) in public limited companies whether listed or not or Chairman of more than 5 Committee(s) across all listed entities, in which, he is a director as per Regulation 26 of the SEBI (LODR) Regulations, 2015;
- Chairmanship/ membership of Committees include Chairmanship/ membership of the Audit and Stakeholders' Relationship Committee(s) only in listed companies other than HUDCO as per Regulation 26 of the SEBI (LODR) Regulations, 2015;
- In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Muniappa Nagaraj, Director (Corporate Planning) shall retire by rotation at the 51st Annual General Meeting and is eligible for reappointment; and
- There is no inter-se relationship among the directors.

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

During the financial year 2020-21, 9 meetings of the Board of Directors were held on the following dates:

11th June, 2020, 26th June, 2020, 21st August, 2020, 14th September, 2020, 12th November, 2020, 21st December, 2020, 11th February, 2021, 18th March, 2021 and 24th March, 2021.

- None of the Directors held any shares/stocks/convertible instruments in the Company and the Company has not issued any stocks/ convertible instrument as on 31st March, 2021;
- The Company's Board comprises of mix of executive/ non-executive directors. The HUDCO's Board members are updated on the business developments, changes in the applicable laws viz-a-viz their role and responsibilities, for which they are provided necessary material as part of the familiarization programmes. They are nominated for various programmes of the professional interest from time to time as per their convenience, consent and availability. The familiarization programme is available on the website of the Company at <https://hudco.org/writereaddata/Stat-Ind.Dir.Prog.pdf>.
- As HUDCO does not have any Part-time Non-official (Independent) Director(s) including one Woman Director on its Board since 18th April, 2020 and their appointment is in process with the MoHUA, being the Administrative Ministry and Appointing Authority, hence the declaration as to their independence and a separate meeting of Independent Directors' could not be obtained/ called as

per requirements of the SEBI (LODR) Regulations, 2015 and Section 149 Companies Act, 2013; and

- (g) The Board of Directors of HUDCO are appointed by the President of India through the MoHUA, Government of India, being the Administrative Ministry. The performance of individual directors including the Independent Directors is to be undertaken by the Administrative Ministry (taking into account the views of executive and non-executive directors) including Chairperson of the Company, and the Board as a whole; and also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

3. COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, DPE guidelines and/or from operational point of view, HUDCO's Board has constituted/ reconstituted various Committees from time to time from the present available Board members. As already stated, HUDCO does not have requisite number of Part-time Non-official (Independent) Directors, hence, the composition of various Statutory Committees of the Board of Directors is not in conformity with the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and DPE guidelines, for which MoHUA, being the Administrative Ministry/ Appointing Authority has been requested and the same is in process.

As on 31st March, 2021, HUDCO Board is assisted by various Committees including five Statutory Committees namely, Audit Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee. The recommendations of Committees, wherever required are placed before the Board for its approval and the same have been accepted by the Board.

The brief of the Committees is as under:

Audit Committee

Brief Description of terms of reference

The term of reference of the Audit Committee is in conformity with the requirements of the Companies Act, 2013 and rules framed thereunder, SEBI (LODR) Regulations, 2015, DPE guidelines on Corporate Governance and the same has been amended from time to time as per statutory/operational requirements with the approval of the Board of Directors.

Composition, name of members and Chairman

As on 31st March, 2021, the Audit Committee comprised of 3 members, out of which 2 members were Part-time Official (Government) Directors' and 1 member was functional Director. The Committee was headed by Part-time Official (Government) Director.

Director (Finance) & Chief Financial Officer, Head - Internal Audit Department are the permanent invitees to the meetings of the Audit Committee. Senior Executives are also invited, as and when required by the Committee to provide necessary information/ clarification pertaining to their area(s). The Statutory Auditors attend the Audit Committee Meetings in which the financial results (quarterly/ half yearly/ annual) are considered and as and when required by the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

The composition of the Audit Committee as at 31st March, 2021 was as under:

Sl. No.	Name	Position	Status of Member
1.	Shri Shyam Sunder Dubey	Chairman	Part-time Official (Government) Director
2.	Shri Amrit Abhijat	Member	Part-time Official (Government) Director
3.	Shri M Nagaraj	Member	Director (Corporate Planning)

Meetings and Attendance during the year

During the year, five meetings of the Audit Committee were held on 26th June, 2020, 21st August, 2020, 14th September, 2020, 12th November, 2020, and 11th February, 2021, wherein attendance of the members was as under:

Sl. No.	Name of Member	No. of Audit Committee Meeting(s)	
		held during their tenure in 2020-21	attended
1.	Shri Shyam Sunder Dubey	5	5
2.	Shri Amrit Abhijat	5	5
3.	Shri M Nagaraj	5	5

Corporate Social Responsibility Committee

Brief Description of terms of reference

The term of reference of the 'Corporate Social Responsibility Committee' of the Board is in conformity with the requirements of the Companies Act, 2013 and rules framed thereunder and DPE guidelines on Corporate Governance as amended from time to time, which includes formulation and recommendation to the Board of Directors CSR Policy, recommending the amount of expenditure to be incurred on CSR activities during the financial year and monitoring the CSR policy and various projects funded with CSR assistance. The Company has a separate department to look after the CSR activities of the Company and compliance with the statutory provisions relating thereto. HUDCO's policy on CSR is available at the Company's website at: <https://www.hudco.org/writereaddata/csrpolicy.pdf>

The details of CSR activities undertaken and the expenditure incurred during the year has been given under a separate report titled 'Annual Report on Corporate Social Responsibility (CSR) for the financial year 2020-21' annexed with the Directors' Report.

Composition, name of members and Chairman

As on 31st March, 2021, the Corporate Social Responsibility Committee comprised of 3 members, out of which 2 members were functional directors and 1 member was Part-time Official (Government) Director. The Committee was headed by Functional Director. Head of CSR department is permanent special invitee who attends the meetings of CSR Committee. The Company Secretary acts as the Secretary of the CSR Committee.

The composition of the CSR Committee as at 31st March, 2021 was as under:

Sl. No.	Name	Position	Status of Member
1.	Shri M Nagaraj	Chairman	Director (Corporate Planning)
2.	Shri Amrit Abhijat	Member	Part-time Official (Government) Director
3.	Shri D. Guhan	Member	Director (Finance)

Meetings and Attendance during the year

During the year, Committee met twice on 26th June, 2020 and 21st August, 2020, wherein attendance of the members was as under:

Sl. No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2020-21	attended
1.	Shri M Nagaraj	2	2
2.	Shri Amrit Abhijat	2	2
3.	Shri D Guhan	2	2

Stakeholders Relationship Committee

Brief Description of terms of reference

The terms of reference of the 'Stakeholders Relationship Committee' is in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, as amended from time to time which broadly include redressal of grievance of shareholders, bondholders and other security holders relating to matters concerning transfer/ transmission/transposition/ demat/ remat, loss of

certificates, non-receipt of annual report, dividend/interest warrants, repayment of principal and /or interest on fixed deposits/ bonds, etc., and in respect of various services being rendered by the Registrar & Transfer Agents.

Composition, name of members and Chairman

As on 31st March, 2021, the 'Stakeholders Relationship Committee' comprised of 3 members, out of which, 2 members were Functional Directors' and 1 member was Part-time Official (Government) Director. The Committee was headed by Part-time Official (Government) Director. Shri Harish Sharma, Company Secretary & Compliance Officer acts as the Secretary of the Committee.

The composition of the Committee as at 31st March, 2021 was as under:

Sl. No.	Name	Position	Status of Member
1.	Shri Shyam Sunder Dubey	Chairman	Part-time Official (Government) Director
2.	Shri M Nagaraj	Member	Director (Corporate Planning)
3	Shri D. Guhan	Member	Director (Finance)

Meetings and Attendance during the year

During the year, one meeting of the Committee was held on 11th February, 2021, wherein attendance of the members was as under:

Sl. No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2020-21	attended
1.	Shri Shyam Sunder Dubey	1	1
2.	Shri M Nagaraj	1	1
3.	Shri D Guhan	1	1

Status of shareholders' grievances as on 31st March, 2021

The status of shareholders' grievances resolved/outstanding as on 31st March, 2021 was as under:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	78	77	1*

* The outstanding 1 grievance has been resolved on 5th April, 2021.

Nomination & Remuneration Committee

Brief Description and scope & terms of reference

The terms of reference of the 'Nomination & Remuneration Committee' is in conformity with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and DPE guidelines on Corporate Governance as amended, subject to exemptions/ relaxations granted to Government Companies from time to time.

HUDCO, being a Government Company, all its Directors' are appointed by the President of India through its Administrative Ministry, i.e., MoHUA, Government of India., therefore, their performance is being evaluated by the Ministry as per its own evaluation methodology. As per Ministry of Corporate Affairs notification dated 5th June, 2015, Government Companies are exempted from the requirement of carrying out formal annual evaluation by the Board of its own performance and that of its committees and individual directors. Similar exemption under the SEBI (LODR) Regulations is awaited.

Composition, name of members and Chairman

As on 31st March, 2021, the Nomination & Remuneration Committee comprised of 3 members, out of which, 2 members were Part-time Official (Government) Directors' and 1 member was Functional Director. The Committee was headed by Part-time Official (Government) Director. Head of the HR Department is special invitee to the meeting(s) of the Committee. The Company Secretary acts as the Secretary of the Committee.

The composition of the Nomination & Remuneration Committee as at 31st March, 2021 was as under:

Sl. No.	Name	Position	Status of Member
1.	Shri Amrit Abhijat	Chairman	Part-time Official (Government) Director
2.	Shri Shyam Sunder Dubey	Member	Part-time Official (Government) Director
3.	Shri M Nagaraj	Member	Director (Corporate Planning)

Meetings and Attendance during the year

During the year, one meeting of the Committee was held on 11th February, 2021, wherein attendance of the members was as under:

Sl. No.	Name of Member	No. of Meeting(s)	
		held during their tenure in 2020-21	attended
1.	Shri Amrit Abhijat	1	1
2.	Shri Shyam Sunder Dubey	1	1
3.	Shri M Nagaraj	1	1

Risk Management Committee

Brief Description

In compliance with Regulation 21 of the SEBI (LODR) Regulations, 2015, your Company has in place 'Risk Management Committee' of the Board to access the various risks to which the Company is exposed to and suggests various strategies for their mitigation.

The Committee is assisted by three sub-committees namely Assets & Liabilities Management Committee, Credit Risk Management Committee and Operational Risk Management Committee. In compliance with the National Housing Bank circular, the Company has nominated senior officer as Chief Risk Officer with the defined roles and responsibilities.

Composition, name of members and Chairman

As on 31st March, 2021, the Committee comprised of 3 members, out of which, 2 members were Functional Directors' and 1 member was Part-time Official (Government) Director. The Committee was headed by Part-time Official (Government) Director.

Further, Senior Executive Director (Operations) and Executive Director/General Manager/ HoD- (Risk Management) attends the meetings of the Committee as special invitees. The Company Secretary acts as the Secretary of the Committee. During the year, no meeting of the Committee was held.

The composition of the Committee as at 31st March, 2021 was as under:

Sl. No.	Name	Position	Status of Member
1.	Shri Shyam Sunder Dubey	Chairman	Part-time Official (Government) Director
2.	Shri M Nagaraj	Member	Director (Corporate Planning)
3.	Shri D Guhan	Member	Director (Finance)

Other Committees

Apart from above Committees, the Board has constituted various other Committees from operational requirements, a brief of which is as under:

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

HUDCO has originally constituted Committee of Directors' to oversee the Sustainable Development Activities including R&D in compliance with DPE guidelines. The DPE vide Office Memorandum dated 17th July, 2019, has withdrawn the aforesaid guidelines, in compliance of which HUDCO had constituted the Committee. As HUDCO is carrying on activities pertaining to training, capacity

building and innovation through research & development, and accordingly decided to continue with its existing R&D Policy by utilizing the accumulated balance of non-utilized funds.

As on 31st March, 2021, the Committee comprised of three members namely, Shri Amrit Abhijat, Part-time Official (Government) Director, Director (Corporate Planning) and Director (Finance) and Head of HSML is a special invitee to the meeting(s) of the Committee. During the year, no meeting of the Committee was held.

Committee to Review NPAs

In order to review and monitor financial health of loan accounts of HUDCO, the Company has constituted a 'Committee to Review NPAs'.

As on 31st March, 2021, the Committee comprised of three members namely, Shri Shyam Sunder Dubey, Part-time Official (Government) Director, Director (Corporate Planning) and Director (Finance) and Head of Defaults Wing is a special invitee to meeting(s) of the Committee. Company Secretary acts as Secretary of the Committee. During the year, no meeting of the Committee was held.

Review Committee on Wilful Defaulters

In compliance with National Housing Bank Regulations, your Company has in place Committee to Review the Wilful Defaulters.

As on 31st March, 2021, the Committee comprised of three members namely, Chairman & Managing Director, Director (Corporate Planning) and Director (Finance) headed by Chairman & Managing Director. The Company Secretary acts as Secretary of the Committee. During the year, no meeting of the Committee was held.

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

From operational point of view, the Company has constituted a Committee for the purpose of sanction of loan assistance to 'Building Material and Technology Promotion Council' (BMTPC) on behalf of Government of India for disbursement of Central Assistance to States/UTs and Central Nodal Agencies (CNAs) under Pradhan Mantri Awas Yojna-Urban (PMAY-U)- Extra Budgetary Resource for National Urban Housing Fund.

As on 31st March, 2021, the Committee comprised of three (3) functional directors with Chairman & Managing Director as its Chairman. During the year, no meeting of the Committee was held.

4. REMUNERATION OF DIRECTORS AND KEY MANAGEIAL PERSONNEL

- (a) The terms and conditions of appointment of Directors' including service contracts, notice period, severance fee and payment of their remuneration is as per their terms of appointment as decided by the President of India. Detail of remuneration paid to Directors' and Key Managerial Personnel, during the financial year 2020-21 was as under:

(in Rs.)

Name of Director	Salary/ Allowances	Benefits	Performance Linked Incentives	Gross Amount
Shri M Nagaraj Director (Corporate Planning)	3731430	1393080	67440	5191950
Shri D Guhan Director (Finance) and CFO	3862200	1593445	367113	5822758
Shri Harish Kumar Sharma Company Secretary	2453149	990504	253104	3696757
Total	10046779	3977029	687657	14711465

- *Benefits include medical reimbursement, leave encashment, perquisites, lease rent, EPF, etc; and*
- *Performance Linked Incentive includes PRP for the financial year(s) 2018-19*

Note: Shri S.D. Meena, I.A.S., and Shri Kamran Rizvi, I.A.S., who were assigned additional charge of the post of Chairman & Managing Director, HUDCO from 21.04.2020 to 18.05.2020 and from 22.10.2020 onwards respectively during the financial year 2020-21 were not paid any remuneration as per terms and conditions of their appointment.

- (b) Part-time non-official (Independent) Directors' are paid remuneration by way of sitting fee @ Rs. 20,000/- and Rs. 15000/- for attending each meeting of the Board and Committees of the Board respectively. During the year, no sitting fee was paid;
- (c) The Part-time Official (Government) Directors' are not entitled to any remuneration/ sitting fee from the Company; and
- (d) Apart from above, the Directors' does not have any other material pecuniary relationship with the Company.

5. GENERAL BODY MEETINGS

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

Meeting No.	Financial Year	Location	Date	Time	Whether any special resolution passed
50 th	2019-20	Through VC/OAVM at the Registered Office of the Company located at HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi-110003.	30.09.2020	3:00 p.m.	Yes
49 th	2018-19	Stein Auditorium, India Habitat Centre, Lodhi Road, New Delhi - 110003	25.09.2019	11:00 a.m.	Yes
48 th	2017-18	Stein Auditorium, India Habitat Centre, Lodhi Road, New Delhi - 110003	25.09.2018	4:00 p.m.	Yes

Postal Ballot

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

6. MEANS OF COMMUNIIATION

The unaudited quarterly/half yearly, audited financial results are announced within the stipulated time as prescribed under the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and DPE guidelines. Thereafter, the same are also hosted on the website of the Company at www.hudco.org. Further, they are also published in leading English and Hindi newspapers, i.e., Economic Times, Business Line, Mint, Nav Bharat Times (Hindi), Hindustan (Hindi), Dainik Jagran and Punjab Kesari having wider circulations across the Country.

The periodical compliances like unaudited financial results, annual audited financial results, shareholding pattern, corporate governance report and other statutory report/ compliances required as per SEBI (LODR) Regulations, 2015 are filed by the Company electronically on NSE and BSE.

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

The Company website contains exclusive/ separate section for Investors, where all the information pertaining to Company/ Investors are regularly updated from time to time. The Company has a dedicated e-mail id - cswhudco@hudco.org for providing necessary information/ assistance to the investors.

Official news/ press releases, presentation made to investors/ analysts, etc., are displayed/ hosted on the website of the Stock Exchanges and the same are also made available at Company's website, i.e., www.hudco.org.

7. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting – date, time and venue (financial year 2020-21)

Number	51 st
Day and Date	Thursday the, 30 th September, 2021
Time	3:30 p.m.
Venue	The Company is conducting meeting through Video Conferencing/Other Audio-Visual means pursuant to MCA Circular. The proceeding of the AGM shall be deemed to be conducted at the registered office of the Company located at HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi-110003.

Dividend payment date

During the year, the Board of Directors had approved payment of interim dividend of Rs 0.75/- (7.5 %) per equity share having face value of Rs. 10/- each totalling to Rs. 150.14 crore on the paid-up equity share capital of the Company and the same was paid in March, 2021.

Further, Board of Directors have recommended a final dividend @ Rs. 1.425/- (14.25%) per equity share having face value of Rs. 10/- each subject to approval of the shareholders in the Annual General Meeting. The dividend, subject to the provisions of Section 126 of the Companies Act, 2013, if declared at the Annual General Meeting, will be paid within 30 days of the Annual General Meeting to the eligible shareholders.

Listing of Securities

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

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Scrip Code – 540530

National Stock Exchange of India Limited (NSE)

Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051
Scrip Code – HUDCO

Further, it is confirmed that the Company has paid annual listing fee to the Stock Exchanges for the financial year 2021-22. The shares of the Company are frequently traded at the Stock Exchanges and have not been suspended from trading during the year under review.

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

The monthly high, low and closing prices of Company's equity shares in comparison to broad based indices such as BSE Sensex and NSE Nifty during the financial year 2020-21 were as follows:

Performance of Share at BSE in comparison to BSE Sensex during 2020-21

Month	Performance of Share at BSE (in Rs.)			Movement of BSE Sensex		
	High	Low	Month Close	High	Low	Month Close
April 2020	25.70	18.80	25.30	33887.25	27500.79	33717.62
May 2020	25.60	20.65	23.00	32845.48	29968.45	32424.10
June 2020	36.50	23.20	34.75	35706.55	32348.10	34915.80
July 2020	38.80	32.75	33.70	38617.03	34927.20	37606.89
August 2020	39.55	33.35	35.15	40010.17	36911.23	38628.29
September 2020	38.25	30.00	32.45	39359.51	36495.98	38067.93
October 2020	34.35	31.00	31.60	41048.05	38410.20	39614.07
November 2020	35.90	30.05	35.35	44825.37	39334.92	44149.72
December 2020	42.40	35.15	39.70	47896.97	44118.10	47751.33
January 2021	49.00	39.70	42.80	50184.01	46160.46	46285.77
February 2021	51.50	42.50	49.00	52516.76	46433.65	49099.99
March 2021	54.95	43.50	43.90	51821.84	48236.35	49509.15

Performance of Share at NSE in comparison to NSE NIFTY during 2020-21

Month	Performance of Share at NSE (in Rs.)			Movement of NSE NIFTY		
	High	Low	Month Close	High	Low	Month Close
April 2020	25.70	18.75	25.35	9889.05	8055.80	9859.90
May 2020	25.60	20.65	22.95	9598.85	8806.75	9580.30
June 2020	36.60	23.05	34.75	10553.15	9544.35	10302.10
July 2020	38.90	32.70	33.70	11341.40	10299.60	11073.45
August 2020	39.55	33.40	35.15	11794.25	10882.25	11387.50
September 2020	38.40	29.85	32.40	11618.10	10790.20	11247.55
October 2020	34.35	31.00	31.65	12025.45	11347.05	11642.40
November 2020	35.95	30.50	35.30	13145.85	11557.40	12968.95
December 2020	42.40	35.20	39.70	14024.85	12962.80	13981.75
January 2021	51.20	39.70	42.80	14753.55	13596.75	13634.60
February 2021	51.60	42.30	49.00	15431.75	13661.75	14529.15
March 2021	54.90	43.50	43.85	15336.30	14264.40	14690.70

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

Registrar and Share Transfer Agents (RTA),
Alankit Height, 4E/2, Jhandewalan Extension,
New Delhi-110055,
Email-id- rta@alankit.com,
Contact No. 011-4254-1234/2354-1234,
Fax No. 011-4154-3474
Website : www.alankit.com

b) For Bonds
K-Fin Technologies Private Ltd.,

Selenium Tower B,
Plot Nos. 31 - 32, Financial District,
Nanakramguda, Serilingampally Mandal,
Hyderabad , Rangareddi- 500032,
Telangana
Toll free No: 18003094001
Email: einward.ris@kfintech.com
Website: www.kfintech.com

Beetal Financial & Computer Services Private Ltd

Beetal House, 3rd Floor, 99 Madangir,
Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi-110062
Phone No. 011-29961281-83
Email: beetal@beetalfinancial.com
Website: www.beetalfinancial.com

Name and address of Trustees
a) For Bonds
SBICAP Trustee Company Limited,

Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai - 400 020.
Contact No.: 022-4302550/66
Email: corporate@sbicaptrustee.com
Website: www.sbicaptrustee.com

Axis Trustee Services Limited

2nd Floor, Axis House, C-2
Wadia International Centre,
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg,
Worli, Mumbai - 400 025.
Contact No: 022-62260054/50
Email: debenturetrustee@axistrustee.in
Website: www.axistrustee.in

b) For Public Deposit Scheme
Vistra ITCL (India) Limited

The IL&FS Financial Centre
IL&FS Financial Centre, Plot C-22,
G Block, 7th Floor, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Contact No. 022-26593535
Email: mumbai@vistra.com, newdelhi@vistra.com

Share transfer system

All requests for share transmission, transposition, split, consolidation, demat, remat, etc., are attended by Registrar & Transfer Agent (R&TA) of the Company as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same were processed & completed within the stipulated time period subject to receipt of complete and valid documents in all respects.

As per amended SEBI (LODR) Regulations, only request for transmission and transposition of securities in physical form are being entertained by the R&TA/ Company w.e.f., 1st April, 2019. Shareholders holding shares in physical form are thus required to get them converted into demat form compulsorily before transfer.

The 'Stakeholders Relationship Committee' is periodically updated of the status of transfer, demat, remat, etc. As shares of the Company are compulsorily traded in the demat form, accordingly, the same are available for trading under both the depositories namely National Securities Depository Limited and/or Central Depository Services (India) Limited, through their respective Depository Participants.

A certificate from Practising Company Secretary certifying compliance with the requirements of share transfer, etc., as prescribed under SEBI (LODR) Regulations, 2015, has been filed with the Stock Exchanges as per prescribed timelines.

Distribution of Shareholding as on 31st March, 2021

Number of Shares	Number of Share Holders	% to Total	Total Shares	Amount (in Rs.)	% of Shares
001 - 500	236564	84.09	41662715	416627150	2.08
501 - 1000	23207	8.25	19211661	192116610	0.96
1001 - 2000	11293	4.01	17520646	175206460	0.88
2001 - 3000	3705	1.32	9595289	95952890	0.48
3001 - 4000	1629	0.58	5916038	59160380	0.30
4001 - 5000	1475	0.52	7086595	70865950	0.35
5001 - 10000	2083	0.74	15610199	156101990	0.78
10001 & above	1350	0.48	1885296857	18852968570	94.18
Total	281306	100	2001900000	20019000000	100

Shareholding Pattern as on 31st March, 2021

Category	Number of shares	Percentage of total
President of India *	1797841253	89.81
Indian Financial Institutions/Banks	60520	0.00
Insurance Companies	34546818	1.73
Mutual Funds	11135919	0.56
Bodies Corporate	8837502	0.44
NBFC registered with RBI	205050	0.01

Category	Number of shares	Percentage of total
Foreign Portfolio investors	2038047	0.10
Resident Individuals	133560382	6.67
HUF	7647545	0.38
Employees	779258	0.04
Non-Resident Indians	2809306	0.14
Non-Resident Non-Repatriates	934633	0.05
Clearing Members	1482565	0.07
Trusts	21202	0.00
Total	2001900000	100.00

* Due to further divestment by President of India in the month of July/August, 2021, the holding of President of India has been reduced to 81.81%.

Dematerialization of shares and liquidity

The status of dematerialization of equity shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and holding of shares in physical mode as on 31st March, 2021 was as follows:

Particulars	No. of Equity Shares	% to Share Capital
NSDL	1934093090	96.61
CDSL	67804325	3.39
Physical (Public)	2585	0.00
Total	2001900000	100.00

The demat ISIN for Equity Shares at NSDL/CDSL of the Company is **INE031A01017**.

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

The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instrument as on 31st March, 2021.

Commodity price risk or foreign exchange risk and hedging activities

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

Plant Location

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

Address for correspondence

Housing and Urban Development Corporation Limited,

HUDCO Bhawan, Core - 7A,

India Habitat Centre, Lodhi Road,

New Delhi – 110 003

CIN : L74899DL1970GOI005276

Telephone Nos. : 011-24649610-23

Fax No. : 011-24625308

E-mail id : cswhudco@hudco.org

8. OTHER DISCLOSURES

- a. There were no material significant related party transactions having potential conflict with the interest of the Company at large. The details as to Related Party transactions have been appropriately disclosed in point no. 31 of Note- 40 and in point no. 32 of Note- 40 of the standalone and consolidated financial statements respectively;
- b. Policy for determining 'material subsidiaries' and 'Related party transactions' are available on the Company's website at following web link(s):

<https://hudco.org/writereaddata/Policy%20for%20determining%20Material%20Subsidiaries.pdf>; and

<https://hudco.org/writereaddata/Policy%20on%20Materiality%20of%20Related%20Party%20Transactions%20and%20Dealing%20withRelated%20Party%20Transactions%20.pdf>
- c. HUDCO has the requisite Vigilance Mechanism for its employees and/Directors' which provides for adequate safeguards against victimization of the persons who use such mechanism by making provision for direct access to the Chairperson of Audit Committee. The whistle Blower Policy is also in place to look into the complaints for disclosure on allegation of corruption or misuse of office while keeping the identity of the complainant secret. It is affirmed that no person has been denied access to the Chairman of Audit Committee. The policy is available on website of the Company, i.e., www.hudco.org;
- d. Disclosure with respect to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is given in the Directors' Report;
- e. No Presidential Directive has been issued by the Central Government during the year, i.e., 2020-21 and in the last three years except the Presidential Directive issued by the Ministry of Housing and Urban Affairs, Government of India vide its letter dated 25th January, 2018 in the year 2017-18 regarding implementation of Pay Revision of Board and below Board level Executives and Non-Executives of HUDCO with effect from 1st January, 2017 for a period of three years as per Department of Public Enterprises guidelines contained in office memorandum dated 3rd August, 2017 and 4th August, 2017. The above Presidential Directives has been duly complied with by the Company;
- f. During the year, no expenditure of personal nature has been incurred on behalf of the Board of Directors of the Company and top management;
- g. During the year, no expenditure has been debited in the books of accounts, which are not for the purposes of business of the Company;
- h. During the year, personnel and administrative expenses & financial expenses constitutes 4.08% and 94.24% of the total expenditure respectively as compared to 4.43% and 90.23% of that of the last year respectively;
- i. During the year, the Company has paid Rs. 47.45 lakhs to M/s Prem Gupta & Co., the Statutory Auditors of the Company towards various services provided/ rendered by them;
- j. The Audit report for the year 2020-21 has been reviewed by the Audit Committee as well as by the Board and the management reply, wherever required has been given by way of addendum;
- k. The details as to credit ratings obtained by the Company may be referred to in the Directors' Report;
- l. The Company has not made any preferential allotment or qualified institutional placement as specified under Regulation 32(7A);
- m. None of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any statutory authority. A certificate to this effect duly signed by the Practising Company Secretary is annexed to this report;
- n. The Board of Directors of the Company has adopted a code of Conduct for its Board members and senior management personnel. The copy of the code is available on Company's website at www.hudco.org. Board members and Senior Management personnel have affirmed compliance with the 'Code of Conduct' for the financial year ended 31st March, 2021 and a declaration signed by Chairman & Managing Director in this regard is annexed with the Directors' Report;
- o. The Company is complying with all the mandatory requirements of SEBI (LODR) Regulations, 2015 specifically with reference to compliances of regulations 17 to 27 and 46(2)(b) to (i), Companies Act, 2013, DPE guidelines except the requirements pertaining

to the composition of Board of Directors and its various Committees with respect to requisite number of Independent Directors'. The Company does not have any Independent Director including one Woman Director on its Board from 18th April, 2020, appointment for whom, Ministry of Housing and Urban Affairs, Government of India, being the Administrative Ministry and Appointing Authority has been requested from time to time, and the same is in process;

- p. The Company has complied with RBI's Master Direction- Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated 17.02.2021, including credit concentration norms except investment in equity share of another HFC, i.e., Indbank Housing Limited which is more than 15% of equity capital of the investee Company as prescribed limit, which was invested around twenty years back. However, in case of loans to Governments/Public agencies, the norms communicated to HUDCO by NHB vide letter no. NHB(ND)/DRS/SUP/ 3911/2018 dated 2nd April 2018, letter No. NHB(ND)/DRS/SUP/7085/2018 dated 13th July 2018, letter No. NHB(ND)/ DRS/SUP/879/2019 dated 8th March, 2019, letter No. NHB(ND)/ DRS/SUP/880/2019 dated 8th March, 2019 and RBI letter No. 1736/ 03.10.136/2019-20 dated 5th March, 2020 respectively, have been complied with. Further, RBI vide letter dated 26th March, 2021 advised that the exemption from concentration/ exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions as specified while granting such exemptions;
- q. During the preceding 3 years, no penalty was imposed and/or stricture was passed on the Company by any Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to the capital market, operations or guidelines issued by the Government.

However, the Company has been receiving notice(s) from both the Stock Exchange(s), namely, BSE Limited and National Stock Exchange of India Limited, regarding non-compliance with the requirement of regulation(s) 17(1), 17(2A), 18, 19, 20 of SEBI (LODR), Regulations, 2015 with respect to non-compliances regarding appointment of requisite number of Independent Directors' including one woman Director, composition of the Board/ committees, quorum of the meetings, etc., from the quarter ending September, 2019 onwards and have levied a fine of Rs. 82,600/-, Rs. 5,42,800/-, Rs. 5,36,900/-, Rs. 5,88,820/-, Rs. 10,00,640, Rs.12,17,760 and Rs. 12,03,600/- each on quarterly basis starting from quarter ending September, 2019 to March, 2021.

As per Article no. 39 of the Articles of Association, the power to appoint Directors' including Part-time Non-Official Independent Directors' on the Board of the Company vests with the President of India, which is exercised through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India. Accordingly, the matter regarding their appointment is being pursued with the Administrative Ministry regularly, hence, the non-compliances are not due to negligence/ default on the part of the Company. The above status was informed to the Board, promoters, and the Stock Exchanges have been requested to waive-off the fine and not to initiate any further action in the matter.

Based on Company's representation, the BSE Limited has waived off fine levied on the Company starting from quarter ending December, 2019 to December, 2020. The matter is being pursued with the BSE Limited for waiver of fine for the quarter ended September, 2019 and March, 2021 and with National Stock Exchange of India Limited starting from quarter ended September, 2019 onwards; and

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

1.	The Board	:	<p>All the Directors' on the Board of the Company. i.e., Functional Director(s) including the Chairman & Managing Director, Part-time official Government Director(s) and Part-time Non-Official Independent Director(s) are appointed by the President of India in terms of Articles of Association of the Company.</p> <p>The Company is headed by Chairman & Managing Director, who is also the Chief Executive Officer and Key Managerial Personnel of the Company.</p>
2.	Shareholders Rights	:	<p>The financial results (quarterly and/or half yearly and/or Annual), are hosted on websites of BSE Limited and National Stock Exchange of India Limited and simultaneously on the website of the Company, i.e., www.hudco.org. Further, they are also published in the newspapers for information of the Shareholders.</p> <p>A management presentation is also hosted on the website of the Stock Exchanges and Company after declaration of Financial Results.</p> <p>The price sensitive information, if any, is regularly intimated to Stock Exchange(s) for information of the shareholders.</p>

3.	Modified opinion(s) in Audit Report	:	The Company has not received any qualification from the Auditors on its Financial Statements of financial year 2020-21.
4.	Reporting of Internal Auditor	:	<p>The Company is having a separate Internal Audit Department and head Internal Audit directly reports to the Chairman & Managing Director. Internal Audit of Regional Offices/ various departments at Head Office is conducted in-house by the internal audit department and/or outsource firm of Chartered Accountants as per Annual Audit Programme approved by the Audit Committee.</p> <p>Head of Internal Audit Department is invited in all the Audit Committee meetings. Significant Audit Observations as compiled by the Internal Audit department are put up for consideration of the Audit Committee periodically.</p>

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 6th September, 2021

Sd/-
Kamran Rizvi
Chairman & Managing Director
(DIN: 01653503)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Housing And Urban Development Corporation Ltd
HUDCO Bhawan, IHC, Lodhi Road,
New Delhi-110003

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

In my opinion and to the best of my information and according to the verifications (including Directors' Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors' on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors' of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of Directors	DIN	Date of appointment in Company
1	MR. MUNIAPPA NAGARAJ	05184848	01/02/2019
2	MR. SHYAM SUNDER DUBEY	06601151	08/08/2019
3	MR. AMRIT ABHIJAT	03022727	01/06/2018
4	MR. DURAISWAMY GUHAN	06757569	31/12/2019
5	MR. KAMRAN RIZVI	01653503	22/10/2020

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

For Suman Kumar & Associates
Company Secretaries

Sd/-
(CS Suman Kumar)

Prop.
Membership No. : F6564

CoP Number : 6564

UDIN: F006127C000498817

Place : New Delhi
Date : 22th June, 2021

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

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

We have examined the Compliance of conditions of Corporate Governance by Housing and Urban Development Corporation Limited ("the Company") for the year ended 31st March, 2021.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable, subject to the following: -

- The Company has not complied with the requirement of Regulation 17, 18, 19, 20, and 25 of SEBI (LODR) Regulations, 2015 with respect to the Composition of Board of Directors and Committee Members (i.e., Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee).

As informed by the Company, the power to appoint Directors' including Independent Directors' and Woman Director on Board of HUDCO vests with the President of India and the Company is regularly pursuing with the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same.

- Further, in the absence of Independent Directors', quorum requirement of Board and its Committees meeting (i.e., Audit Committee and Nomination & Remuneration Committee) was not complied with. Further, during the period the Company has not conducted the Risk Management Committee according to Regulation 21(3A) of SEBI (LODR) Regulations, 2015, due to unavoidable reasons as informed by the Company.
- Regulation 17(10) requires performance evaluation of Independent Director by the entire board of director as the same is made by President of India through the Administrative Ministry, being the appointing authority as informed by the Company.
- The observations/qualifications on the audited financial statements of the Company as at 31st March, 2021 are as detailed in the Independent Auditor's Report of even date.

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

FOR MALHOTRA ARORA & ASSOCIATES
Company Secretaries

Place : Gurugram, Haryana
Date : 13th August, 2021

Sd/-
Dikshant Malhotra
Partner
FCS: 11008
C P No.: 14622
UDIN: F006127C000498817

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1	Corporate Identification Number (CIN) of the Company	L74899DL1970GOI005276
2	Name of the Company	Housing and Urban Development Corporation Limited
3	Address of the Registered office	HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003
4	Website	www.hudco.org
5	E-mail id	cswhudco@hudco.org
6	Financial Year reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	HUDCO is a Housing Finance Company and is primarily engaged in carrying out activities pertaining to Housing Finance (including Retail Lending) and Non-Housing Loan pertaining to Urban- infrastructure. (NIC 2004 Code-65922).
8	List three key products/ services that the Company manufactures/ provides (as in balance sheet)	<ul style="list-style-type: none"> • Housing and Infrastructure Project Finance (including Retail Lending) • Consultancy Services • Conducting capacity building programme / workshops / seminars for Government officials both (National & International).
9	Total number of locations where business activity is undertaken by the Company i. Number of International Locations (Provide details of major five) ii. Number of National Locations	As on 31 st March, 2021, the operations of the Company are carried out through Head Office, 21 Regional Offices and 11 Development Offices located all over India. The Company has no overseas office.
10	Markets served by the Company-Local/State/National/ International	Loans and Consultancy services are offered to Central and State Governments, para- statal bodies and Corporates all over the country.

Section B: Financial details of the Company (as on 31st March, 2021)

1	Paid up Capital (INR) in crore	2001.90
2	Total Turnover (INR) in crore	7234.58 (Revenue from Operations)
3	Total profit after taxes (INR) in crore for the financial year ended on 31 st March, 2021.	1578.58
4	Total spending on Corporate Social Responsibility (CSR) as percentage of the profit after tax (%)	During the financial year 2020-21, the Company has released/spent Rs. 0.84 crore (0.053% of profit after tax) on CSR activities. However, based on the utilization certificate received from agencies, an amount of Rs.5.74 crore has been booked as an amount utilized in the financial statements during the year 2020-21.
5	List of activities in which expenditure in 4 above has been incurred	HUDCO has spent its CSR assistance during the year on various programs of the Government of India like Health, Education and Sanitation, etc.

Section C: Other details

1	Does the Company have any Subsidiary Company/ Companies?	As on 31 st March, 2021, HUDCO has no Subsidiary Company.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s)	Not applicable.
3	Do any other entity/ entities (e.g., suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities?	No other Companies/ entities participate in Company's BR initiatives.

Section D: BR Information

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

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

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

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

- P1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3 : Businesses should promote the well- being of all employees.
P4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5 : Businesses should respect and promote human rights.
P6 : Businesses should respect, protect and make efforts to restore the environment.
P7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8 : Businesses should support inclusive growth and equitable development.
P9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The principle wise responses on the above are mentioned below:

Sl. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employee	Stake-Holders' Engagement	Human Rights	Environment	Public Policy	CSR	Customer relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for?	Y	HUDCO being an HFC, hence, principle has limited applicability	Y	Y	Y	The policy is embedded in Company's various policies and practices	The policy is embedded in Company's various Policies and practices	Y	The policy is embedded in Company's HR policies and practices.
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	-	Y	Y	Y	-	-	Y	-
3.	Does the policy conform to any national / international standards?	Y	-	N Company's internal policy based on govt. guidelines (wherever applicable) and Company's board approval	Y	Y	-	-	The policy framed conforms with Schedule VII of Companies Act, 2013 with up-to-date amendments.	
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	-	Y	Y	Y	-	-	Y	-
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	-	Y	Y	Y	-	-	Y	-

6.	Indicate the link for the policy to be viewed online?	www.hudco.org	-	www.hudco.org	www.hudco.org	www.hudco.org	-	-	www.hudco.org	-
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	-	Y	Y	Y	-	-	Y	-
8.	Does the Company have in-house structure to implement the policy / policies?	Y	-	Y	Y	Y	-	-	Y	-
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholder grievances related to the policy / policies?	Y	-	Y	Y	Y	-	-	Y	-
10.	Has the Company carried out independent audit evaluation of the working of this policy by an internal or external agency?	Y	-	Y	Y	Y	-	-	Y	-

3. Governance related to BR

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

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

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

The Business Responsibility Report is being published as a part of Annual Report and the same is also available on the website of the Company namely, www.hudco.org and the Stock Exchanges namely, BSE Limited and National Stock Exchange of India Limited.

Section E: Principle-wise performance

Principle 1

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

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

With a view to conduct the affairs of the Company in an ethical, fair, transparent, professional and accountable manner with zero tolerance for bribery and corruption, HUDCO has formulated various policies/ codes like - Code of Conduct for Board members and Senior Management Personnel, Prevention of Insider Trading and Prevention of Fraud Policy, Corporate Social Responsibility Policy, Policy on Related Party Transactions, Vigil Mechanism/Whistle Blower Policy, etc. These policies have been framed as per requirement under the various laws and from operational requirements of the organization in consultation with the relevant stakeholders. The policies have been placed on the website of the Company for information of the internal as well as external stakeholders of the Company.

HUDCO does not have any subsidiary Company, however, it has three Joint Venture(s) namely Pragati Social Infrastructure & Development Limited; Shristi Urban Infrastructure Development Limited; Signa Infrastructure India Limited and one associate namely; Ind Bank Housing Limited. HUDCO has decided to exit from these joint ventures, as the performance of these joint ventures was not found to be satisfactory. The above policies do not extend to the joint ventures/ associates.

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

The Company has established an effective mechanism for redressal of grievances of various stakeholders and based on the suggestions/ inputs provided by the stakeholders, the various policies are reviewed periodically and modified accordingly in the best interest of the Company as well as stakeholders.

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

During the year, Company has received 1917 complaints from its various stakeholders like shareholders, bondholders, investors and customers and all were resolved satisfactorily except three complaint which were also resolved satisfactorily in the month of April, 2021.

Principle 2

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

As HUDCO is not involved in any manufacturing/ industrial activity, hence, this principle has very limited applicability. It is the constant endeavor of the Company to provide services that fulfills the expectations of the customer and contribute positively to socio-economic development. While appraising the proposals for financial assistance, Company ensures that necessary environmental/ pollution approvals have been obtained, wherever required by the agency.

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

During the year, HUDCO assisted projects in the area of Housing, Urban Infrastructure and has provided environmental consultancy. In the area of Housing, projects with loan assistance of Rs. 937 crore facilitating construction of 12,488 dwelling units and in the Urban Infrastructure Development Projects with loan assistance of Rs. 8,265 crore like Water Supply, Metro, Power, Social Infrastructure, Commercial Infrastructure, Road & Transport, etc. have been sanctioned. As a part of environmental consultancy, HUDCO as Third-Party Assessment Agency for 'Evaluation of 3 Central Sector Schemes' has submitted the final reports to Ministry of Environment Forest and Climate Change besides undertaking appraisal of two Integrated Management Plans under National Plan of Conservation of Aquatic Eco-Systems.

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

Use of energy, water, raw material, etc., is not applicable to the Company, as it is not involved in manufacturing / industrial activity.

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

Not Applicable

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

Not Applicable

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

Not Applicable

Principle 3

Businesses should promote the wellbeing of all employees

HUDCO is giving utmost priority to the wellbeing of all its employees, existing as well as retired and their dependent family members for which, it has formulated various policies like Medical Attendance Scheme, Superannuation Pension Scheme, Wage Revision Policy, etc., and is following the best management practices prevalent in the industry.

To promote the wellbeing of employees, Company organizes various online capacity-building programs, in-house as well as in association with various reputed institutes, in various spheres relevant to Company's operation and for up gradation of employee's skills.

Further, Company endeavors to provide safe and hygienic work environment to its employees in all its offices located all over the country. In view of COVID-19 pandemic, the directions issued by Central and State Governments have been strictly implemented, including work from home policy.

1. Total number of employees:

As on 31st March, 2021, HUDCO had 753 number of employees.

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

In addition to position indicated at point 1 above, HUDCO had hired 61 number of employees on temporary/ contractual/ casual basis.

3. Please indicate the number of permanent women employees:

As on 31st March, 2021, HUDCO had 229 number of women employees, representing 30.41% of the total workforce.

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

16 employees with disabilities are employed with the Company as on 31st March, 2021.

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

There is no employee association in HUDCO, which is recognized by the management. However, for amicable resolution of grievance of employees, if any, HUDCO has in place effective mechanism for their redressal.

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

Not applicable.

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

Sl. No.	Category	No. of previous year pending complaints	No. of complaints filed during the FY 2020-21	No. of complaints pending as on 31 st March, 2021
1.	Child labour/ forced labour/ involuntary labour*	NA	NA	NA
2.	Sexual harassment	NIL	NIL	NIL
3.	Discriminatory employment	NIL	NIL	NIL

* HUDCO does not hire child labour, forced labour or involuntary labour

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

- Permanent Employees 52.19%*
- Permanent Women Employees 48.90%**
- Casual/Temporary/Contractual Employees -
- Employees with Disabilities 37.5%***

* w.r.t total strength of employees

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

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

(These are individual nominations. Besides, various other online programmes organized by HSMI which were open to all employees)

Principle 4

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

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

HUDCO has mapped/ identified all its internal as well as external stakeholders like, its employees, shareholders, bondholders, fixed deposit holders, regulatory authorities, financial institutions, various agencies, to whom financial assistance have been extended by HUDCO, vendor/ supplier of goods/services, etc. The Company's endeavor is to understand the concern of its various stakeholders and respond to their requirements/ needs within a best possible time and manner.

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

Company has identified various disadvantaged, vulnerable & marginalized stakeholders, like Economically Weaker Sections, Lower Income Groups, MSME enterprises owned by SC/ST and women entrepreneurs and also works for the upliftment of marginalized section of society by providing them necessary facilities in the areas of Health, Education, Skill training, etc.

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

HUDCO continues to address the housing requirements of weaker sections of society by offering financial assistance/loan to the Economically Weaker Sections (EWS)/ Lower Income Groups (LIG) segment of society at a comparatively lower rate of interest.

Secondly, through CSR initiatives, HUDCO provides financial assistance through Government Agencies to benefit marginalized stakeholders like Schedule Castes, Schedule Tribes and minorities in the areas of Education, Skill training, Health, Sanitation, etc.

Thirdly, HUDCO continues to procure goods/services from Micro and Small Enterprises (including MSEs owned by SC, ST and women entrepreneurs) as per the guidelines issued by Government of India, in respect of public procurement policy.

Fourthly, 37.5% of employees of the Company with disabilities were imparted safety and skill upgradation training for their upliftment and inclusive growth.

Principle 5

Businesses should respect and promote human rights

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

The Company is fully committed to respect the human values and adheres to all applicable laws, rules, regulations framed by the regulatory authorities, Central/ State governments in this regard. All stakeholders internal as well as external irrespective of their position, caste, creed, gender and religion, are given due respect and dignity. Grievances of all the stakeholders, if any, received by the Company directly or indirectly from other public grievance portals, Ministry and National Housing Bank, etc., are resolved amicably/satisfactorily, for which the Company has in place Public Grievance Redressal Cell. Whistle Blower Policy/ mechanism under the initiatives of Central Vigilance Commission has also in place to address the grievances of its stakeholders.

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

During the year, the Company has not received any complaint pertaining to violation of human rights from its stakeholders.

Principle 6

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

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

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

HUDCO endeavors to promote green environment with minimum use of paper in its day-to-day activities for which it has adopted various measures like, e-communication with all its stakeholders, implementation of e-office in its Head Office and all Regional and Development Offices located all over the country. Annual financial results/ Annual Reports and other communications with the shareholders/bondholders, etc., are being made electronically.

The Company is committed to put its efforts to avoid depletion of natural resources, wherever possible, in its day-to-day operations. It complies with all applicable legal / regulatory requirements related to environment protection, management and sustainable development.

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

Not applicable.

3. **Does the Company identify and assess potential environmental risks?**

HUDCO being a socially responsible corporate, encourages projects which are environmentally safe and secure. The Company ensures that the projects funded by it meets the necessary parameters towards environmental protection as per the GoI norms for which, necessary stipulations have been incorporated at the appraisal stage.

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

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

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

The Company is an energy conscious organization and is fully committed to support the Government of India programmes towards conservation of energy, for which it has taken number of measures/initiatives on continuous basis towards conservation and optimum utilization of energy in all its offices like replacing CFL with LED lights, maximum use of natural lights in its day-to-day operations and replacement of high-power consuming equipments with low energy consuming equipments.

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

Not Applicable

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

Not Applicable

Principle-7

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

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

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

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

HUDCO being a technical arm of Ministry of Housing and Urban Affairs, Government of India plays an integral role towards implementation of various flagship programmes like, Housing for All, Swachh Bharat Abhiyan, Skill India, etc., to address the housing requirements of the urban poor and weaker sections of the society. HUDCO participates in various programs organized by above associations, wherein matters/ issues concerning Company are raised and also synchronize with the flagship programmes of Government of India.

Principle-8

Businesses should support inclusive growth and equitable development

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

During the year, Company has undertaken various CSR activities in the areas of Health, Education and Sanitation as per thrust areas/ CSR policy approved by the Board of Directors, in line with Schedule VII of Companies Act, 2013.

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

HUDCO undertakes various programmes/projects primarily through State Govt. agencies through its network of 21 Regional Offices and 11 Development Offices situated across the nation in coordination with CSR Cell located at Corporate Office, New Delhi.

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

All the ongoing CSR projects are regularly monitored by the concerned Regional Office(s) by way of site inspection, progress report both physical and financial and by way of obtaining utilization certificate from the concerned agency. The agency also provides details as to implementation of the projects periodically which are analyzed by the concerned Regional Offices.

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

Company provides CSR assistance based on the thrust area(s) approved by the Board in conformity with requirements under the Companies Act, 2013. The thrust areas under the CSR policy have been earmarked specifically with a view to benefit marginalized section of the society, viz. SC/ST and minorities, in the areas of Health, Sanitation, Education, Skill training, etc.

During the financial year 2020-21, the Company has allocated the amounts for different project activities as enclosed below:

Sl. No	Thrust areas	Allocation for 2020-21		CSR Assistance for 2020-21	
		% of Budget	To be spent (Rs.)	Sanctioned (Rs.)	Released (Rs.)
1	Swachh Bharat Activities	30	103380000	3300000	-
2	Support for the development of "Aspirational Districts" with focus on projects benefitting SCs and STs	35	120610000	13380000	5310000
3	Social Infrastructure benefitting marginalized sections of the society viz. SC/ST & minorities	15	51690000	21521000	3094000
4	Skill training with focus on marginalized sections of the society viz. SC/ST & minorities	10	34460000	-	-
5	Disaster Management, Rural Development, Sustainability/ Solar Lighting/ Water Recycling, etc.	10	34460000	-	-
	Total	100	344600000	38201000	*8404000

** Additionally, an amount of Rs.660.54 lakh has been released for the CSR project sanctioned during the previous years. Releases are being made based on the physical and financial progress of the project.*

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

The various project funded by HUDCO through CSR assistance like, construction of night shelter and houses for the flood affected victims, development, modification and maintenance of waterbodies and parks, construction of toilet blocks for men and women, health care viz. providing Bio-Digesters in 20 Govt. Schools, upgradation of Blood bank in hospital, Ambulance, Skill Lab, strengthening of primary health centers, and distribution of ASHA Kit, Education sector viz. Smart class room and Rural development works are the basic amenities needed for development of any community.

Principle 9

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

Company being a housing finance Company and not involved in any manufacturing/ industrial activity, hence the principle has limited application.

1. What percentage of customer complaints/consumer cases are pending as on the end of the financial year?

During the year, Company has received 50 complaints from its customers and all were resolved satisfactorily except 2 which were also resolved satisfactorily in the month of April, 2021.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Not applicable.

3. 'Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

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

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

HUDCO has not carried out any consumer survey, however, it is fully committed to strengthen its relationship with stakeholders, enhancing their satisfaction by safeguarding their interest and maximizing their wealth by following the applicable rules, laws and regulations, etc. It acknowledges their contribution/suggestions towards the growth of the Company, based on which, new strategies are formulated in consonance with the market trends in consultation with relevant stakeholders.

Form No. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2021

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

To,
The Members,

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Housing and Urban Development Corporation Limited (hereinafter called "the Company") for the financial year ended 31st March, 2021 (hereinafter called "period under review"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period under review according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings';
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations; 2018 and amendments from time to time;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015
- (vi) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances for followings applicable Acts, Laws and regulations to the Company: -
 - a. Payment of Gratuity Act, 1972;
 - b. Maternity Benefit Act, 1961;
 - c. Employees Provident funds, 1952;
 - d. Payment and Wages Act, 1936;
 - e. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
 - f. Employment Exchange (Compulsory Notification of vacancies) Act, 1959; and
 - g. National Housing Bank Act, 1987 and Rules, Regulations, Guidelines and Directions issued thereunder.

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

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

We have not examined the compliance by the Company with applicable financials laws, like Direct and Indirect Tax Laws and maintenance of financials records and books of accounts since the same has been subject to the review of Statutory Auditors and other designated professionals.

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

1. During the year under review, the Company has not maintained the proper composition of Board of Directors and its Committees due to non-appointment of Independent Directors' including Woman Director according to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR), Regulations, 2015], DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 and Companies Act, 2013 as the power to appoint Directors' on the Board of HUDCO vests with the President of India as informed by the Company.
2. During the year under review, in the absence of Independent Directors', Company has not complied with the requirement of proper quorum of Board, Nomination & Remuneration and Audit Committee meetings as per the SEBI (LODR) Regulations, 2015 and DPE Guidelines. Further, no meeting of the Risk Management Committee was held according to the SEBI (LODR) Regulations, 2015, due to unavoidable reasons as informed by the Company.
3. The performance evaluation of Independent Directors' has not been carried out for the period under review, as the same is made by President of India through the Administrative Ministry, being the appointing authority as informed by the Company.

We further report that

- i. During the period under review the, the Board of Directors of the Company was not duly constituted with proper balance of Executive Directors', Non-Executive Directors', Women Directors' and Independent Directors' according to the SEBI (LODR) Regulations, 2015, DPE Guidelines and the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. Adequate notice is given to all Directors' to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meeting other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority of decision at the Board Meeting were taken unanimously, while the dissenting members' views are captured and recorded as part of the minutes.

We further report that based on the information received and records maintained by the Company, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, etc.

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

1. Passed one resolution as a Special Resolution at Annual General Meeting of the Company held on 30th September, 2021 namely: -
 - a. To Borrow funds not exceeding Rs. 28,000 crore (Rupees Twenty-Eight Thousand crore) by way of issue of Bonds/Debentures on Private Placement basis, etc., pursuant to Section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014; NHB Directions, 2014 and other applicable provisions made thereunder and.

The said resolution passed to enable the Company to raise funds during the intermediary period, i.e., from 30th September, 2020 till the date of next Annual General Meeting.

2. During the period under review the Company has raised funds on a Private Placement basis Rs. 6,350 crore (Rupees Six Thousand Three Hundred Fifty crore only) through Private Placement, vide allotment dated 15th April, 2020; 24th April, 2020; 12th May, 2020; 29th May, 2020; 4th August, 2020; and 28th December, 2020 respectively in tranches.



3. The Company has prepared Consolidated Financial Statements (CFS) pursuant to Section 129 (3) of the Act with Associate Company, i.e., Shristi Urban Infrastructure Development Limited.
4. During the period under review, Stock Exchange(s) namely BSE Limited and National Stock Exchange of India Limited, have levied fines of Rs. 5,88,820/-, Rs. 10,00,640/-, Rs. 12,17,760/- and Rs. 12,03,600/- for the quarter(s) ending June, September, December 2020 and March 2021, respectively, regarding non-compliance with the requirements of regulations of the SEBI (LODR) Regulations, 2015 in respect of non-appointment of requisite number of Independent Director including Woman Director on the Board of the Company. The Company has requested the Stock Exchanges to waive off the fine on the ground that power to appoint Directors' on the Board of HUDCO vests with the President of India and the Company is regularly pursuing with the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same. Based on Company's request BSE Limited has waived off fine from the quarter December, 2019 to December, 2020 and request for waiver of fine for the quarter September, 2019 and March, 2021 is still pending.

FOR MALHOTRA ARORA & ASSOCIATES
Company Secretaries

Place: Gurugram, Haryana
Date: 12th August, 2021

Sd/-
Dikshant Malhotra
Partner
FCS: 11008
C P No.:14622
UDIN: F011008C000775420

Annexure A

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

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

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

FOR MALHOTRA ARORA & ASSOCIATES
Company Secretaries

Place: Gurugram, Haryana
Date: 12th August, 2021

Sd/-
Dikshant Malhotra
Partner
FCS: 11008
C P No.:14622
UDIN: F011008C000775420

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year 2020-21

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

Report on CSR activities for financial years commenced prior to 1st April, 2020.

The year wise CSR budget allocated, releases made and the resultant amount transferred to Unspent CSR Account made towards CSR activities are given below:

Year	Budget Allocated (Rs.)	No. of Projects	CSR grant Sanctioned (Rs.)	CSR Amount spent/ Released as per GL (Rs.)	CSR grant required for completion of on- going activities (Rs.)
	1	2	3	4	5
2010-11 (3% of PAT)	148500000	3	145742000	49875665	30350000
2011-12 (2% of PAT)	110000000	23	115757000	10070000	36625000
2012-13 (1.5% of PAT)	94500000	27	168370000	98015817	2244458
2013-14 (1.5% of PAT)	105100000	39	153300000	124996176	14233237
Sub Total (A)	458100000	92	583169000	282957658	83452695
2014-15*	206400000	35	128377000	115911225	6143000
2015-16"	222400000	19	118570000	78573243	17011000
2016-17"	223600000	16	99311000	56876616	6842600
2017-18"	228900000	10	182143000	143389671	36114057
2018-19*	222800000	21	93041000	46729506	35551250
2019-20"	276700000	21	632196000	582661508	86946053
Sub Total (B)	1380800000	122	1253638000	1024141769	188607960
Grand Total (A) + (B)	1838900000	214	1836807000	1307099427	272060655

(*) - 2% of average Net profit of the Company during the three immediately preceding financial years.

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year commencing on 1st day of April, 2020-21

1.	Brief outline on CSR Policy of the Company.	<p>The main objective of the HUDCO CSR Policy shall be to operate in economically, socially and environmentally sustainable manner in consultation with its stake holders so as to ensure upliftment of the marginalized and under-privileged sections of the society to promote inclusive socio-economic growth, empowerment of downtrodden, capacity building, environment protection, promotion of green & energy efficient technologies, development of backward regions by specially focusing on the projects relating to habitat sector & benefit of the poor. In line with these objectives, HUDCO CSR Policy's thrust areas are to extend support/taking up projects related to provision of basic amenities viz. sanitation through provision of toilets/community toilets etc., provision of drinking water and Night Shelter for shelter less, etc., development of Aspirational District, slum redevelopment including environmental improvement, setting up homes and hostels for women and orphans, setting up old age homes, training/ capacity building programmes for skill and livelihood development, for promoting education including special education to differently abled, HUDCO being a financial institution have no specific geographical area and as such, CSR activities are spread across all over the country. In line with these thrust areas, during the year 2020-21, HUDCO has committed support for the sanitation projects, health, education, infrastructure etc, through 7 proposals in 4 states.</p> <p>In addition to this, disbursement of CSR assistance was also extended for the proposals sanctioned in the earlier years in line with the guidelines issued by Department of Public Enterprises for CPSEs on CSR & Sustainability for their implementation.</p> <p>The CSR Policy and other information on CSR is available on HUDCO Website at:http://www.hudco.org</p>
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2.	Composition of CSR Committee				
	Name of Director	Designation/Nature of Directors'hip	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year	
i.	Shri M Nagaraj	Director (Corporate Planning)	2	2	
ii.	Shri D Guhan	Director (Finance)	2	2	
iii.	Shri Amrit Abhijit	Director, HUDCO and JS(HFA)	2	2	

3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.			www.hudco.org		
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules,2014, if applicable (attach the report).			Applicable w.e.f. 01.04.2021. For the current year 2020-21, it is not applicable		
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any			Nil		
	Financial year		Amount available for set off from preceding financial years (in ₹)		Amount required to be set-off for the financial year, if any (in ₹)	
			Nil		Nil	
	Total		Nil		Nil	
6.	Average net profit of the Company as per Section 135(5).				₹ 1723.13 crore	
7.	(a) Two percent of average net profit of the Company as per Section135(5)				₹ 34.46 crore	
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.				Nil	
	(c) Amount required to be set off for the financial year, if any				Nil	
	(d) Total CSR obligation for the financial year (7a+7b-7c)				₹ 34.46 crore	
8. (a)	CSR amount spent or unspent for the financial year 2020-2021					
	Total Amount spent for the financial year (in ₹)	Amount unspent (in ₹)				
		*Total Amount transferred to Unspent CSR account as per Section 135(6)			**Amount transferred to any fund specified under Schedule-VII as per second proviso to Section 135(5).	
		Amount	Date of transfer		Name of the Fund	Amount
		3,82,01,000/-	80,19,41,235/-	29.04.2021	-	-

* From 2010-11 to 2020-21 (as on 31.03.2021), the total amount transferred to Unspent CSR account is Rs. 80,19,41,235/-. Out of Rs. 80,19,41,235/-, the CSR amount required for completion of Ongoing CSR activities has been worked out to Rs. 30,18,57,655/-.

** Unspent CSR amount other than Ongoing CSR activities has been worked out to Rs. 50,00,83,580/- (Rs. 80,19,41,235 – Rs. 30,18,57,655) which will be transferred to a fund specified under Schedule-VII on or before 30.09.2021.

During the year 2020-21, an amount of Rs. 3,82,01,000/- has been committed against which an amount of Rs. 84,04,000/- has been released for the proposals and balance amount is yet to be spent. Further, an amount of Rs. 6,60,55,338/- has also been spent during the year 2020-21, for the ongoing proposals of the previous years. However, based on the Utilization Certificates received from the agencies, an amount of Rs. 5.74 crore have been booked as an amount utilized in the financial statements during the year 2020-21.

8(b) Details of CSR amount spent against ongoing projects for the financial year 2020-21

(in ₹)

(1) S. No.	(2) Name of the project	(3) Item from the list of activities in Schedule-VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project	(8) Amount spent in the current financial year	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6)	(10) Mode of Implementation – Direct (Yes/No)	(11) Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Construction of toilet blocks for Men & Women at Sri Kethaki Sangmeshwara Swamy Temple	Sanitation	No	Telangana	Sanga Reddy	6 months	3300000	0	3300000	No	Panchayat Raj Engineering Department, Govt. of Telangana	Not Applicable
2	Purchase of 1 No. Ambulance with ACLS Facility for District Hospital, Khammam, Telangana	Health	No	Telangana	Khammam	2 months	3094000	3094000	0	No	Medical Superintendent, District Hospital, Telangana	Not Applicable
3	Providing and installation of Bio-Digesters toilets in 20 Govt. School Aspirational Baran District	Sanitation	No	Rajasthan	Baran	1 year	7080000	5310000	1770000	No	School Education Department, Distt. Baran Govt. of Rajasthan.	Not Applicable
4	Upgradation of Blood Bank in Trauma Centre of SMS Hospital & Upgradation of patient and attendant	Health	No	Rajasthan	Jaipur	6 months	6934000	0	6934000	No	SM Medical College, Jaipur, Rajasthan	Not Applicable
5.	Distribution of Pulse Oximeters and purchase of Biodegradable Plates	Health	No	Uttar Pradesh	Various Govt. Hospitals	1 month	3993000	0	3993000	No	Principal Secretary Health Department, Lucknow.	Not Applicable
6	Procurement and installation of sanitary Napkin Vending machine and Disposal Machine	Education	No	Kerala	150 Nos. of Govt. schools	6 months	7500000	0	7500000	No	General Education Department, Govt. of Kerala	Not Applicable
7.	Construction of Skill Lab at District Hospital, Mananthavady Wayanad (Aspirational District)	Health	No	Kerala	Wayanad	6 months	6300000	0	6300000	No	Medical Superintendent, Distt. Hospital Mananthavady	Not Applicable
Total							38201000	8404000	29797000			

8(c) Details of CSR amount spent against other than ongoing projects for the financial year (Projects sanctioned during 2012-13 to 2019-20).

(1) S.No.	(2) Name of the project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project.		(6) Amount spent for the project (in ₹)	(7) Mode of implementation – Direct (Yes/No)	(8) Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
1.	Development, beautification and maintenance of Shambuni Chervu	Sustainable Development	No	Andhra Pradesh	Palacole	2,68,056	No	Palacole Municipality	Not Applicable
2.	Development and upgradation of existing parks viz. Rajiv Gandhi Park and K L Rao Park and maintenance for 3 years	Sustainable Development	No	Andhra Pradesh	Vijayawada	19,70,000	No	Vijayawada Municipal Corpn.	Not Applicable
3.	CSR projects at 6 locations in the country by ALIMCO	Health Care	No	Delhi	Delhi	57,27,000	No	ALIMCO	Not Applicable
4	Providing ambulance ACLS 3 Nos. of RML Hospital & 2 Nos. for Safdarjung Hospital, New Delhi	Health Care	No	Delhi	3 Nos. for RML and 2 Nos. for Safdarjung Hospital	1,10,86,507	No	Dr. RML Hospital & Safdarjung Hospital	Not Applicable
5	Purchase of 2 Nos. Ambulances (ACLS) facility for Civil Hospital, Ahmedabad, Gujarat	Health Care	No	Gujarat	Ahmedabad	70,00,000	No	Civil Hospital, Ahmedabad	Not Applicable
6	Addl. CSR assistance for construction of class rooms at Haryana Public School, Madhuban, Karnal	Education	No	Haryana	Madhuban, Karnal	47,58,000	No	Haryana Police Hsg. Corpn. Ltd.	Not Applicable
7.	Installation of handpumps under rural water supply scheme at Giridih District, Jharkhand	Basic Assistance and livelihood	No	Jharkhand	Giridih	30,86,000	No	Deputy Commissioner Samaharanallay, Giridih	Not Applicable
8	Construction of 12 houses for the families affected by Flood in Kerala	Basic Assistance and livelihood	No	Kerala	Alappuzha	16,40,000	No	Kerala State Poverty Eradic Mission (Kudumashree)	Not Applicable
9	Construction of 12 houses in flood affected Venmani Gram Panchayat, Alappuzha District	Basic assistance and Livelihood	No	Kerala	Alappuzha	16,40,000	No	Kerala State Poverty Eradic Mission (Kudumashree)	Not Applicable
10	Construction of comprehensive Retiring rooms for women at Kerala	Night Shelter	No	Kerala	Perinthalmanna	10,40,000	No	Perinthalamanna Municipality	Not Applicable
11	Strengthening an restructuring of PHCS and supply ASHA Kit in Wayanad District, Kerala	Education	No	Kerala	Wayanad	16,75,000	No	District Administration, Wayanad	Not Applicable
12	Smart Class room and provision of safe drinking water for Odisha Adarsha Vidyalaya	Education	No	Odisha	Gajapati	29,64,360	No	District Rural Development Agency (DRDA), Gajapati	Not Applicable
13	Provision of Smart Class Rooms in Sambalpur District, Odisha	Education	No	Odisha	Sambalpur	17,18,750	No	District Administration Sambalpur	Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S.No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration Number
14.	Construction of Night shelter at Thirumallar Temple Town Karaikal , Puducherry	Night shelter	No	Puducherry	Karaikal	25,55,000	No	Distt. Collector, Karaikal	Not Applicable
15	Construction of Night Shelter near Civil Hospital Bathinda	Night Shelter	No	Punjab	Bathinda	25,60,000	No	Indian Red Cross Society, Distt. Branch Bathinda	Not Applicable
16	Widening of designated road and provision of solar street light at Village Mudhal, Amritsar	Rural Development	No	Punjab	Amritsar	10,19,039	No	Gram Panchayat Mudhal	Not Applicable
17	Integrated project – Construction of Sulabh Complex, Night Shelter and Tin Shade for Rickshaw pullers	Health Care	No	Rajasthan	Alwar	10,91,986	No	Urban Improvement Trust Alwar	Not Applicable
18	Purchase of 2 Nos. Ambulance Vans (ACLS) Facility for District Hospital, Kothagudem	Health Care	No	Hyderabad	Kothagudem	59,68,890	No	District Hospital Kothagudem (Aspirational District)	Not Applicable
19	Construction of Modern Toilet Complex at Ward No.4, Kutchanur Town, Theni District, Tamil Nadu	Health Care	No	Tamil Nadu	Theni	9,37,500	No	Kutchanur Town Panchayat	Not Applicable
20	Construction of Toilet Block, provision of borewell and Staff Room, Ramanathapuram District, Tamil Nadu	Education	No	Tamil Nadu	Ramanathapuram	24,73,500	No	Commissioner Ramanathapuram Municipality	Not Applicable
21	Construction of Sanitary Complex opposite to Old Bus stand and at 3 Municipal Schools, Virudhnagar District, Tamil Nadu	Education	No	Tamil Nadu	Virudhunagar	20,91,500	No	Commissioner Virudhnagar Municipality	Not Applicable
22	Development of Model Gram Panchayat Seem, Uttarakhand	Rural Development	No	Uttarakhand	Almora	16,11,750	No	Block Development Office Bhikiyasain, Almora	Not Applicable
23	Supply and installation of underground Bin system at 15 locations in Almora Town, Almora	Solid Waste Management	No	Uttarakhand	Almora	11,72,500	No	Nagar Nigam Parishad, Almora	Not Applicable
	Total					66055338			

8(d)	Amount spent in Administrative Overheads	NIL
8(e)	Amount spent on Impact Assessment, if applicable	NIL
8(f)	Total amount spent for the Financial year (8b+8c+8d+8e)	Rs. 7,44,59,338

8 (g) Excess amount for set off, if any

S.No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section-135(5)	344600000
(ii)	Total amount spent for the Financial Year	8404000
(iii)	Excess amount spent for the financial year {(ii) – (i)}	(-) 336196000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years {(iii) - (iv)}	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2017-18	36114057	4665000	-	-	-	36114057
2	2018-19	35551250	7385039	-	-	-	35551250
3	2019-20	86946053	36590277	-	-	-	86946053
Total		158611360	48640316	-	-	-	158611360

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed /Ongoing
1.			2012-13					
	DLRDL36	Distribution of Aids and Appliances to PwDs at 6 locations in the country by ALIMCO		1 year	7260000	1134000	7260000	Completed
2.			2012-13					
	DLRDL36	Additional CSR assistance for Distribution of Aids and Appliances to PwDs at 6 locations in the country by ALIMCO		1 year	4593000	4593000	4593000	Completed
	NCRRJ80	Integrated project – Construction of Sulabh Complex, Night Shelter and Tin Shade for Rickshaw pullers		6 months	4674000	1091986	4418000	Completed
		Total			9267000	5684986	9011000	
3.			2014-15					
	CHRRH95	Construction of class rooms at Haryana Public School, Madhuban, Karnal		1 year	2307000	2307000	2307000	Completed
	CHRPJ115	Construction of Night Shelter near Civil Hospital Bathinda		6 months	13883000	2560000	10240000	Ongoing
		Total			16190000	4867000	12547000	
4.			2015-16					
	VROAP143	Development, beautification and maintenance of Shambuni Chervu		1 year	6500000	268056	3669000	Completed

(in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed /Ongoing
	VROAP142	Development and upgradation of existing parks viz. Rajiv Gandhi Park and K L Rao Park and maintenance for 3 years		6 months	10000000	1970000	7881000	Completed
		Total			16500000	2238056	11550000	
5.			2016-17					
	CHRR158	Addl. CSR assistance for construction of class rooms at Haryana Public School, Madhuban, Karnal		1 year	2451000	2451000	2451000	Completed
	TRRKL163	Construction of comprehensive Retiring rooms for women in Perinthalmanna Municipality at Kerala		1 year	7100000	1040000	5606000	Completed
		Total			9551000	3491000	8057000	
6.			2017-18					
	CNRTN172	Construction of Nightshelter at Thirunallar Temple Town Karaikal, Puducherry		1 year	7000000	2555000	4305000	Ongoing
	CNRTN174	Construction of Modern Toilet Complex at Ward No.4, Kutchanur Town, Theni District, Tamil Nadu		1 year	3750000	937500	3750000	Completed
	DHRUA167	Supply and installation of underground Bin system at 15 locations in Almora Town, Almora		1 year	4708000	1172500	1172500	Ongoing
		Total			15458000	4665000	9227500	
7.			2018-19					
	RNRJD191	Installation of handpumps (106 nos.) under rural water supply scheme for Giridih District, Jharkhand		6 months	6172000	3086000	4629000	Ongoing
	TRRKL195	Construction of 12 houses for the families affected by Flood for North Paravoor Municipality in Kerala		1 year	6720000	1640000	5000000	Ongoing
	TRRKL193	Construction of 12 houses in flood affected Venmani Gram Panchayat, Alappuzha District		1 year	6720000	1640000	5000000	Ongoing
	CHRPJ178	Widening of designated road and provision of solar street light at Village Mudhal, Amritsar		2 months	7420000	1019039	7226000	Completed
		Total			27032000	7385039	21855000	
8.			2019-20					
	DLRDL217	Providing ambulance ACLS 3 Nos. of RML Hospital & 2 Nos. for Safdarjung Hospital, New Delhi		6 months	21065000	11086527	11086527	Ongoing
	AHRGJ213	Purchase of 2 Nos. Ambulances (ACLS) facility for Civil Hospital, Ahmedabad, Gujarat		2 months	7000000	7000000	7000000	Completed

(in ₹)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed /Ongoing
	TRRKL212	Strengthening an restructuring of PHCS and supply ASHA Kit in Wayanad District, Kerala		6 months	6700000	1675000	1675000	Ongoing
	BUROR200	Provision of Smart Class Rooms in Sambalpur District, Odisha		4 months	6875000	1718750	1718750	Ongoing
	BUROR210	Smart Class room and provision of safe drinking water for Odisha Adarsha Vidyalaya		2 months	7140000	2964360	2964360	Ongoing
	HYRTL214	Purchase of 2 Nos. Ambulance Vans (ACLS) Facility for District Hospital, Kothagudem		2 months	6188000	5968890	5968890	Completed
	CNRTN203	Construction of Toilet Block, provision of borewell and Staff Room, Ramanathapuram District, Tamil Nadu		6 months	4977000	2473500	3709500	Ongoing
	CNRTN202	Construction of Sanitary Complex opposite to Old Bus stand and at 3 Municipal Schools, Virudhnagar District, Tamil Nadu		3 months	4183000	2091500	3136500	Ongoing
	DHRUA205	Development of Model Gram Panchayat Seem, Uttarakhand		1 year	6447000	1611750	1611750	Ongoing
		Total			70575000	36590277	38871277	
		Grand Total			171833000	66055358	118378777	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details)

Sl.No	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
			-----Nil-----	

11.	Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5)	<p>During the year an amount of Rs. 31.01 crore were allocated for implementation of socially beneficial proposals like Sanitation, Solid Waste Management, School Education, Health Care, Nutrition for Aspirational districts, Disaster Management, Rural Development Projects etc. and an amount of Rs. 84.04 lakh has been released and the balance amount is yet to be spent. Further, an amount of Rs. 660.54 lakh was also spent for the ongoing proposals of the previous period during 2012-13 to 2019-20.</p> <p>The entire amount could not be utilized due to the reasons that most of the projects under implementation, the execution come to a halt because of COVID-19 lockdown. Besides in many proposals, concerned agencies could not achieve required physical/ financial progress and submit the utilization certificates for the CSR assistance to be released due to delay in obtaining required approvals, finalization of tenders, etc. resulting in delay in implementation of the proposals and consequent release of subsequent installments of the CSR assistance. Also, in some proposals, where CSR assistance has been sanctioned, documentation could not be completed by the concerned agencies in time and in view of this 1st installment of sanctioned CSR assistance couldn't be released.</p>
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Place : New Delhi
Date : 6th September, 2021

Sd/-
Kamran Rizvi
Chairman & Managing Director
DIN: 01653503

Sd/-
M Nagaraj
Chairman CSR Committee
DIN: 05184848

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2021

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

I. REGISTRATION AND OTHER DETAILS:

(i)	CIN	L74899DL1970GOI005276
(ii)	Registration Date	25 th April, 1970
(iii)	Name of the Company	Housing and Urban Development Corporation Limited
(iv)	Category / Sub-Category of the Company	Company limited by shares/ Union Government Company
(v)	Address of the Registered office and contact details	HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003. Phone No. : 011-24649610-23 Fax : 011-24625308 Email : cswhudco@hudco.org Website : www.hudco.org
(vi)	Whether listed Company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	
	For Debts	
1.	K-Fin Technologies Private Limited Selenium Tower B, Plot Nos. 31 - 32 Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Rangareddi - 500032, Telangana. Toll free no. : 18003094001 Email : einward.ris@kfintech.com Website : www.kfintech.com	2. Beetal Financial & Computer Services Private Limited Beetal House, 3 rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062. Phone No.: 011- 29961281-83 Email : beetal@beetalfinancial.com Website : www.beetalfinancial.com
	For Equity Shares	
1.	M/s Alankit Assignments Limited Registrar and Share Transfer Agents (R&TA), Alankit Heights, 4E/2, Jhandewalan Extension, New Delhi-110055. Contact No. : 011-4254-1234/1954, Fax No. : 011-4254-1201/2001 Email : rta@alankit.com Website : www.alankit.com	

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

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

(i) Category-wise Share holding

	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 st April, 2020)				No. of Shares held at the end of the year (As on 31 st March, 2021)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
1.	Indian									
(a)	Individual/ HUF	0	0	0	0	0	0	0	0	0
(b)	Central Government	1797841253		1797841253	89.81	1797841253		1797841253	89.81	
	The President of India through Secretary Ministry of Housing and Urban Affairs	1382841253	0	1382841253	69.08	1382841253	0	1382841253	69.08	0
	The President of India through Secretary Ministry of Rural Development	415000000	0	415000000	20.73	415000000	0	415000000	20.73	0
(c)	State Government(s)	0	0	0	0	0	0	0	0	0
(d)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(e)	Banks / FI	0	0	0	0	0	0	0	0	0
(f)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (1)	1797841253	0	1797841253	89.81	1797841253	0	1797841253	89.81	0
2.	Foreign									
(a)	NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b)	Other - Individuals	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(d)	Banks / FI	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
	Total shareholding of Promoters (A) = (A)(1)+(A)(2)	1797841253	0	1797841253	89.81	1797841253	0	1797841253	89.81	0
B.	Public Shareholding									
1.	Institutions									
(a)	Mutual Funds	14210563	0	14210563	0.71	11135919	0	11135919	0.56	(0.15)
(b)	Banks/ FIs	4054728	0	4054728	0.20	60520	0	60520	0	(0.20)
(c)	Central Government	0	0	0	0	0	0	0	0	0
(d)	State Government(s)	0	0	0	0	0	0	0	0	0

	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 st April, 2020)				No. of Shares held at the end of the year (As on 31 st March, 2021)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	36982847	0	36982847	1.85	34546818	0	34546818	1.73	(0.12)
(g)	FIs	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i)	Others -Foreign Portfolio Investors -Alternative Investment Fund	2898399 0	0 0	2898399 0	0.14 0	2038047 0	0 0	2038047 0	0.1 0	(0.04) 0
	Sub-total (B)(1)	58146537	0	58146537	2.90	47781304	0	47781304	2.39	(0.51)
2.	Non- Institutions									
(a)	Bodies Corporates Indian/ Overseas	9929378	0	9929378	0.50	8837502	0	8837502	0.44	(0.06)
(b)	Individuals									
(i)	Individual shareholders Holding nominal share capital upto Rs. 1 lakh	99352985	6483	99359468	4.96	105975863	2585	105978448	5.29	0.33
(ii)	Individual shareholders Holding nominal share capital in excess of Rs 1 lakh	21026309	0	21026309	1.05	27581934	0	27581934	1.38	0.33
(c)	Others									
(i)	Non-Resident Indians	3041598	0	3041598	0.15	2809306	0	2809306	0.14	(0.01)
(ii)	NBFCs Registered with RBI	2715379	0	2715379	0.14	205050	0	205050	0.01	(0.13)
(iii)	Employees/Office Bearer	943060	0	943060	0.05	779258	0	779258	0.04	(0.01)
(iv)	Resident (HUF)	6931358	0	6931358	0.35	7647545	0	7647545	0.38	0.03
(v)	Clearing Members	907673	0	907673	0.05	1482565	0	1482565	0.07	0.02
(vi)	Trusts	28787	0	28787	0.00	21202	0	21202	0.00	0
(vii)	Non-Resident Non-Repatriates	1029200	0	1029200	0.05	934633	0	934633	0.05	0
	Sub-total (B)(2)	145905727	6483	145912210	7.29	156274858	2585	156277443	7.80	0.51
	Total Public Shareholding (B)=(B)(1)+(B)(2)	204052264	6483	204058747	10.19	204056162	2585	204058747	10.19	0
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	2001893517	6483	2001900000	100.00	2001897415	2585	2001900000	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year (As on 1 st April, 2020)			No. of Shares held at the end of the year (As on 31 st March, 2021)			% Change during the year
		No. of Shares	% of Total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	President of India	1797841253	89.81	0	1797841253	89.81	0	-
	Total	1797841253	89.81	0	1797841253	89.81	0	-

(iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year (As on 1 st April, 2020)		Change in Shareholding		Cumulative Shareholding during the year (As on 31 st March, 2021)	
		No. of Shares	% of Total shares of the Company	No. of Shares	% Change	No. of Shares	% of Total shares of the Company
1	President of India						
	At the beginning of the year	1797841253	89.81	-	-	1797841253	89.81
	Date wise increase/decrease in Promoters shareholding during the year with reasons for increase/decrease						
	Date Reason for increase/decrease	-	-	-	-	-	-
	At the end of the year	1797841253	89.81			1797841253	89.81

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

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the Company	No. of shares	% of the total shares of the Company
1.	HDFC LIFE INSURANCE COMPANY LIMITED- 31-Mar-2020	4000000	0.199810	-	-
	Sale-26 Feb -2021	(956028)	(0.047756)	3043972	0.152054
	Sale-5 Mar-2021	(948746)	(0.047392)	2095226	0.104661
	Sale-12 Mar-2021	(95226)	(0.004756)	2000000	0.099905
	Sale-19 Mar-2021	(111520)	(0.005570)	1888480	0.094334
	At the end of the year	-	-	1888480	0.094334
2.	ICICI BANK LIMITED- 31-Mar-2020	1008051	0.050354	-	-
	Sale-3 Apr-2020	(60530)	(0.003023)	947521	0.047331
	Purchase-10 Apr-2020	3537	0.000176	951058	0.047507
	Sale-17 Apr-2020	(298907)	(0.014931)	652151	0.032576
	Purchase-24 Apr-2020	10480	0.000523	662631	0.033100
	Purchase-1 May-2020	12305	0.000614	674936	0.033714

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the Company	No. of shares	% of the total shares of the Company
	Purchase-8 May-2020	194916	0.009736	869852	0.043451
	Sale-15 May-2020	(53895)	(0.002692)	815957	0.040759
	Sale-22 May-2020	(22720)	(0.001134)	793237	0.039624
	Sale-29 May-2020	(44737)	(0.002234)	748500	0.037389
	Sale-5 Jun-2020	(60357)	(0.003014)	688143	0.034374
	Purchase-12 Jun-2020	41120	0.002054	729263	0.036428
	Purchase-19 Jun-2020	146524	0.007319	875787	0.043747
	Purchase- 26 Jun-2020	266918	0.013333	1142705	0.057081
	Sale-30 Jun-2020	(1833)	(0.000091)	1140872	0.056989
	Purchase-3 July-2020	11264	0.000562	1152136	0.057552
	Sale-10 July-2020	(41049)	(0.002050)	1111087	0.055501
	Purchase-17 July-2020	13465	0.000672	1124552	0.056174
	Purchase-24 July-2020	15464	0.000772	1140016	0.056946
	Purchase-31 July 2020	167952	0.008389	1307968	0.065336
	Sale-7 Aug-2020	(1403)	(0.000070)	1306565	0.065266
	Sale-14 Aug-2020	(29389)	(0.001468)	1277176	0.063798
	Purchase-21 Aug 2020	3690	0.000184	1280866	0.063982
	Sale-28 Aug-2020	(120171)	(0.006002)	1160695	0.057979
	Sale- 4 Sep-2020	(1160675)	(0.057978)	20	0.000000
	At the end of the year	-	-	20	0.000000
3.	LICI NEW ENDOWMENT PLUS-GROWTH FUND- 31-Mar-2020	30669292	1.532009	-	-
	At the end of the year	-	-	30669292	1.532009
4.	STATE BANK OF INDIA- 31-Mar-2020	2413883	0.120579	-	-
	Sale-6 Nov-2020	(463358)	0.023145	1950535	0.097434
	Sale-13 Nov-2020	(1072000)	0.053549	878525	0.043884
	Sale-21 Nov-2020	(878525)	0.043884	0	0
	At the end of the year	-	-	0	0
5.	THE ORIENTAL INSURANCE COMPANY LIMITED- 31-Mar-2020	1572380	0.078544	-	-
	At the end of the year	-	-	1572380	0.078544
6.	AXIS BANK LIMITED- 31-Mar-2020	523294	0.026139	-	-
	Sale-3 Apr-2020	(1200)	(0.000059)	522094	0.026079
	Sale- 10-Apr-2020	(1800)	(0.000089)	520294	0.025990
	Sale-17 Apr-2020	(9700)	(0.000484)	510594	0.025505
	Sale-24 Apr-2020	(47739)	(0.002384)	462855	0.023120
	Sale-1 May-2020	(17879)	(0.000893)	444976	0.022227
	Sale-8 May-2020	(19376)	(0.000967)	425600	0.021259

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the Company	No. of shares	% of the total shares of the Company
	Purchase-15 May-2020	1696	0.000084	427296	0.021344
	Sale-22 May-2020	(6039)	(0.000301)	421257	0.021042
	Sale-29 May-2020	(22833)	(0.001140)	398424	0.019902
	Sale-5 Jun-2020	(10700)	(0.000534)	387724	0.019367
	Sale-12 Jun-2020	(3856)	(0.000192)	383868	0.019175
	Purchase-19 Jun-2020	99500	0.004970	483368	0.024145
	Sale- 26 Jun-2020	(99470)	(0.004968)	383898	0.019176
	Sale-30 Jun-2020	(27038)	(0.001350)	356860	0.017826
	Sale-3 Jul-2020	(55068)	(0.002750)	301792	0.015075
	Sale-10 Jul-2020	(6019)	(0.000300)	295773	0.014774
	Purchase-17 Jul-2020	21580	0.001077	317353	0.015852
	Purchase-24 Jul-2020	55436	0.002769	372789	0.018621
	Sale-31 Jul-2020	(500)	(0.000024)	372289	0.018596
	Purchase-7 Aug-2020	8900	0.000444	381189	0.019041
	Sale- 14 Aug-2020	(97)	(0.000004)	381092	0.019036
	Sale-21 Aug-2020	(4437)	(0.000221)	376655	0.018814
	Sale-28 Aug-2020	(299687)	(0.014970)	769868	0.038456
	Sale-4 Sep-2020	(769868)	(0.038456)	0	0
	At the end of the year	-	-	0	0
7.	WISDOMTREE INDIA INVESTMENT PORTFOLIO, INC.- 31-Mar-2020	788553	0.039390	-	-
	Sale- 8 May 2020	(40698)	(0.002032)	747855	0.037357
	Sale-15 May 2020	(22610)	(0.001129)	725245	0.036227
	Sale-19 Jun 2020	(22760)	(0.001136)	702485	0.035090
	Sale-26 Jun-2020	(18272)	(0.000912)	684213	0.034178
	Sale-30 Jun-2020	(27408)	(0.001369)	656805	0.032809
	Sale-3 Jul 2020	(18268)	(0.000912)	638537	0.031896
	Sale- 24 Jul 2020	(18332)	(0.000915)	620205	0.030980
	Sale-14 Aug-2020	(4575)	(0.000228)	615630	0.030752
	Sale-28 Aug-2020	(27450)	(0.001371)	588180	0.029381
	Sale- 4 Sep 2020	(18312)	(0.000914)	569868	0.028466
	Sale- 23 Sep 2020	(436920)	(0.021825)	132948	0.006641
	At the end of the Year	-	-	132948	0.006641
8.	WISDOMTREE EMERGING MARKETS SMALLCAP DIVIDEND FUND- 31-Mar-2020	0	0	-	-
	Purchase-30 Oct 2020	603764	0.030159	603764	0.030159
	Purchase-27 Nov 2020	850357	0.042477	1454121	0.072637
	Purchase-11 Dec 2020	12351	0.000616	1466472	0.073254

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the Company	No. of shares	% of the total shares of the Company
	Purchase-18 Dec 2020	12377	0.000618	1478849	0.073872
	Purchase-8 Jan 2021	8250	0.000412	1487099	0.074284
	Purchase-15 Jan 2021	8232	0.000411	1495331	0.074695
	Purchase-22 Jan 2021	20575	0.001027	1515906	0.075723
	Purchase-29 Jan 2021	4115	0.000205	1520021	0.075928
	Sale-5 Feb 2021	(8236)	(0.000411)	1511785	0.075517
	Purchase-5 Mar 2021	12357	0.000617	1524142	0.076134
	Purchase-12 Mar 2021	12312	0.000615	1536454	0.076749
	At the end of the year	-	-	1536454	0.076749
9.	SCAN HOLDINGS PRIVATE LTD- 31-Mar-2020	0	0	-	-
	Purchase-15 Jan 2021	116420	0.005815	116420	0.005815
	Purchase-22 Jan 2021	281430	0.014058	397850	0.019873
	Purchase-19 Feb 2021	222000	0.011089	619850	0.030963
	Sale-12 Mar 2021	(11266)	(0.000562)	608584	0.030400
	Sale- 26 Mar 2021	(11692)	(0.000584)	596892	0.029816
	At the end of the year	-	-	596892	0.029816
10.	RENEE DHIRAJ VYAS- 31-Mar-2020	0	0	-	-
	Purchase-10 Apr 2020	500000	0.002497	425000	0.021229
	Purchase-11 Sep 2020	28700	0.001433	453700	0.022663
	Sale-15 Jan 2021	(10000)	(0.000499)	443700	0.022163
	At the end of the year	-	-	443700	0.022163
11.	SBI MAGNUM MIDCAP FUND- 31-Mar-2020	14131540	0.705906	-	-
	Sale-5 Jun 2020	(130000)	(0.000649)	14001540	0.699412
	Sale-12 Jun 2020	(1562756)	(0.078063)	12438784	0.621348
	Sale-19 Jun 2020	(307244)	(0.015347)	12131540	0.606001
	Sale-30 Jun 2020	(1000000)	(0.049952)	11131540	0.556048
	At the end of the year	-	-	11131540	0.556048
12.	GURGAON INFOSPACE LIMITED- 31-Mar-2020	415000	0.020730	-	-
	At the end of the year			415000	0.020730
13.	INFINA FINANCE PRIVATE LTD- 31-Mar-2020	2701479	0.134945	-	-
	Sale-3 April 2020	(500000)	(0.024976)	2201479	0.109969
	Sale-10 April 2020	(390100)	(0.019486)	1811379	0.090482
	Sale-24 April 2020	(488033)	(0.024378)	1323346	0.066104
	Sale-1 May 2020	(785834)	(0.039254)	537512	0.026850

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the Company	No. of shares	% of the total shares of the Company
	Sale-8 May 2020	(36000)	(0.001798)	501512	0.025051
	Sale-15 May 2020	(501512)	(0.025051)	0	0
	At the end of the year	-	-	0	0
14.	MINDSET SECURITIES PRIVATE LIMITED- 31-Mar-2020	0	0	-	-
	Purchase- 9 Mar 2021	616857	0.030813	616857	0.030813
	At the end of the year	-	-	616857	0.030813
15.	LODHA FINSERV PVT LTD- 31-Mar-2020	569721	0.028459	-	-
	At the end of the year			569721	0.028459
16.	SCAN PACKAGING PVT LTD- 31-Mar-2020	0	0	-	-
	Purchase- 29 Jan 2021	410468	0.020503	-	-
	At the end of the year	-	-	410468	0.020503
17.	SHAMBHU KUMAR PODDAR- 31-Mar-2020	450000	0.022478	-	-
	Sale-24 July 2020	(100000)	(0.004995)	350000	0.017483
	Sale-31 July 2020	(100000)	(0.004995)	250000	0.012488
	Purchase-7 Aug 2020	200000	0.009990	450000	0.022478
	Sale-28 Aug 2020	(250000)	(0.012488)	200000	0.009990
	At the end of the year	-	-	200000	0.009990

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

Sl. No.	Name	Shareholding at the beginning of the year (1 st April, 2020)/ Shareholding at the end of the year (31 st March, 2021)		Transaction Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31 st March, 2021)	
		No. of Shares	% of Total shares of the Company				No. of Shares	% of Total shares of the Company
1.	Shri Kamran Rizvi, Chairman & Managing Director (Additional Charge)	0	0	-	-	-	0	0
2.	Shri M Nagaraj, Director (Corporate Planning)							
3.	Shri D Guhan, Director (Finance)	0	0				0	0
4.	Shri Shyam Sunder Dubey Government Nominee Director	0	0	-	-	-	0	0
5.	Shri Amrit Abhijat Government Nominee Director	0	0	-	-	-	0	0
6.	Shri Harish Kumar Sharma, Company Secretary (KMP)	0	0	-	-	-	0	0
7.	Shri Shiv Das Meena, Ex- CMD (Additional Charge)	0	0	-	-	-	0	0

V. INDEBTEDNESS

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

(In Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Public Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 01.04.2020				
i) Principal Amount	2,01,72,39,62,005.06	4,10,95,74,35,779.96	1,68,46,87,684.00	6,14,36,60,85,469.02
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,14,98,01,084.00	8,32,09,90,734.00	40,39,24,394.00	11,87,47,16,212.00
Total (i+ii+iii)	2,04,87,37,63,089.06	4,19,27,84,26,513.96	2,08,86,12,078.00	6,26,24,08,01,681.02
Change in Indebtedness during the financial year				
Addition	3,19,94,34,021.00	89,09,58,74,423.00	1,46,47,988.00	92,30,99,56,432.00
Reduction	17,76,83,24,958.00	75,39,32,52,586.00	1,77,46,64,751.00	94,93,62,42,295.00
Net Change	(14,56,88,90,937.00)	13,70,26,21,837.00	(1,76,00,16,763.00)	(2,62,62,85,863.00)
Indebtedness at the end of the financial year				
i) Principal Amount	1,87,16,67,89,999.06	4,22,38,51,73,927.96	22,76,93,453.00	6,09,77,96,57,380.02
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,13,80,82,153.00	10,59,58,74,423.00	10,09,01,862.00	13,83,48,58,438.00
Total (i+ii+iii)	1,90,30,48,72,152.06	4,32,98,10,48,350.96	32,85,95,315.00	6,23,61,45,15,818.02

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors' and/or Manager:

(In Rs.)

S. No.	Particulars of Remuneration	Name of MD/MTD/ Manager				Total Amount
		Shri M Nagaraj	Shri D Guhan	Shri Kamran Rizvi	Shri Shiv Das Meena	
1.	Gross salary					
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37,98,870	48,51,269	-	-	86,50,139
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	8,55,783	3,88,081	-	-	12,43,864
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	46,54,653	52,39,350	-	-	98,94,003
	Overall Ceiling as per the Act	Provisions of Section 197 as to ceiling on managerial remuneration not applicable to the Company.				

B. Remuneration to other Directors':

Company does not have any Independent Director on its Board

C. Remuneration to Key Managerial Personnel other than Managing Director/ Whole Time Director/ Manager

(in Rs.)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	Shri Harish Kumar Sharma Company Secretary	Total
1.	Gross salary	Not Applicable	Not Applicable (As Director-Finance is CFO)		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			27,06,253	27,06,253
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961			5,62,203	5,62,203
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961			-	-
2.	Stock Option			-	-
3.	Sweat Equity			-	-
4.	Commission - as % of profit - others, specify			-	-
5.	Others, please specify			-	-
	Total			32,68,456	32,68,456

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 6th September, 2021

Sd/-
Kamran Rizvi
Chairman & Managing Director
(DIN: 01653503)

DECLARATION OF THE CODE OF CONDUCT AND ETHICS

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

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 6th September, 2021

Sd/-
Kamran Rizvi
Chairman & Managing Director
(DIN: 01653503)

Annexure-8

Management's replies on the comments of the Statutory Auditors on the Standalone Financial Statements and Annexure to the Auditor's Report for the year 2020-21

A. Auditor's Report

Point No.	Management Reply
Emphasis of Matters	
Point no. 4 (i)	Position has been explained in para 3 of Note: 40- Explanatory Notes to Accounts.
Point no. 4 (ii)	Position has been explained in para 8 of Note: 40- Explanatory Notes to Accounts.
Report on other Legal and Regulatory Requirements	
Point no.15 & 16	Statement of Facts, so no comments are required.
Required by section 143(3) of the Act	
Point no. 17 (a)-(f)	Statement of Facts, so no Comments are required.
Point no. 17 (g) (i)-(iii)	Position has been explained vide para no.2(a), para no. 34 and para no. 15 of Note 40- Explanatory Notes to Accounts.
NHB Directions	
Point No.18	Position has been explained in para No.13 of Notes to Accounts 40

B. Annexure of Auditor's Report**i) Annexure A**

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

ii) Annexure B

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

For and on behalf of the Board of Directors

Place : New Delhi
Dated : 3rd September, 2021

Sd/-
D. Guhan
Director (Finance)
DIN : 06757569

Annexure-9**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HOUSING & URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021.**

The preparation of financial statements of **HOUSING & URBAN DEVELOPMENT CORPORATION LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **HOUSING & URBAN DEVELOPMENT CORPORATION LIMITED** for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

Sd/-
(Rina Akoijam)
Director General of Audit (Infrastructure)
New Delhi

Place : New Delhi
Dated : 7th September, 2021

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HOUSING & URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2021.

The preparation of consolidated financial statements of **HOUSING & URBAN DEVELOPMENT CORPORATION LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of **HOUSING & URBAN DEVELOPMENT CORPORATION LIMITED** for the year ended 31 March 2021 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of **HOUSING & URBAN DEVELOPMENT CORPORATION LIMITED** for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to Shristi Urban Infrastructure Development Limited being private entity for appointment of their statutory auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditor nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

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

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

Sd/-
(Rina Akoijam)
Director General of Audit (Infrastructure)
New Delhi

Place : New Delhi
Dated : 7th September, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the Standalone Financial Statements of Housing and Urban Development Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021 and the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to the following matter in the Notes to the Standalone financial statements:
 - i) The Company has recognised interest income on "No Lien AGP Account" amounting to Rs 27.59 crore [Rs. 27.20 crore for the previous year ended 31st March, 2020] for the year ended 31st March 2021. The same has been shown in Note 28 (Other Income) under head 'Interest on Construction Project'.

The balance outstanding as at the end of the year is Rs. 493.33 crore (debit) in "No Lien AGP Account". The Company is in discussion with MoHUA for recovery/reimbursement of outstanding amount including interest as well as booking of expenses. [Refer Para 3 of Note 40]

Our opinion is not modified in respect of this matter.

- ii) We draw your attention to Para 8 of Note 40 to the Standalone financial results which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the Covid-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Sr. No	Key Audit Matter	Auditor's Response
1.	<p>Ind AS 109 on Financial Instruments establishes a comprehensive framework for determining expected credit losses, accuracy of classification, recognition, de-recognition and measurement requirements for all the financial assets and liabilities. Considering the materiality of the amounts involved, possible effect from the pandemic Covid-19, the significant management judgment required in estimating the expected credit losses as well as measuring Financial Assets and Financial Liabilities and such estimates and judgments being inherently subjective, this matter has been identified as a key audit matter for the current year audit.</p> <p>(Refer Notes No : 6, 7, 8, 9, 10, 11, 12, 16, 17, 18, 19, 20, 33, 36, 37 and 40 to standalone financial statements)</p>	<p><u>Principal Audit Procedures</u></p> <p>Our procedures included, but were not limited to the following:</p> <p>Our Audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating Expected credit losses (ECL), recognition, de-recognition and measurement of Financial Assets and Financial Liabilities, for classifying financial assets portfolio into stages based on credit risk. • Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the expected credit losses and measuring Financial Assets and Financial Liabilities. • Selected the sample and tested the operating effectiveness of the internal control, relating to recognition, measurement and de-recognition of, financial assets and financial liabilities and calculation of ECL. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording financial assets/ liabilities and calculation of ECL in accordance with the said Ind AS. • Tested the appropriate staging of assets basis, their days past due and other loss indicators on sample basis.

Other Information

6. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report for the year ending 31st March 2021 is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive income, Changes in Equity, and Cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind ASs) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view

and are free from material misstatement, whether due to fraud or error.

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

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

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

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub

section (11) of Section 143 of the Act, we give in the **Annexure- "A"**, a statement on the matters specified in Paragraph 3 and 4 of the said Order, to the extent applicable.

16. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **Annexure 'B'** on the directions issued by the Comptroller and Auditor General of India.
17. **As required by section 143(3) of the Act, we report that:**
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Statement of Profit and loss [including Other Comprehensive income], Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard ("Ind-As") specified under Section 133 of the Act;
 - e) The provisions of section 164(2) of the Companies Act, 2013 in respect of disqualifications of directors are not applicable to the Company being Government Company in terms of notification no. G.S.R. 463(E) dated 5th June 2015 issued by the Ministry of Corporate affairs.
 - f) With respect of the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'C'**; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on financial position on its Standalone financial statements; (**Refer Para 2(a) of Note no 40 to standalone financial statements**)
 - ii. The Company does not have any material foreseeable losses on long terms contracts including derivative contracts; (**Refer Para 34 of Note no 40 to standalone financial statements**)
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protections Fund by the Company; (**Refer Para 15 of Note no 40 to standalone financial statements**)

NHB/RBI Directions

18. The Company is complying with **National Housing Bank's (NHB)/Reserve Bank of India's (RBI)** credit concentration norms in respect of loans to private sector agencies. However, in case of loans to State Governments/State Governments Agencies/Central Government Agencies, the said norms have been relaxed by the **NHB/RBI** vide various letters (**Refer Para no.13 of Note No.40**); the same is complied with except in case of Investment in equity shares of Housing Finance Company Indbank Housing Limited (**Investee Company**) where investment in **25%** of equity capital of investee Company has been made instead of prescribed limit of **15%**.

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. : 097379)
UDIN: 21097379AAAACQ3928

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Annexure referred to in Paragraph “15” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Housing and Urban Development Corporation Limited on the Standalone Financial Statements for the year ended March 31st, 2021).

(i). **In respect of Fixed assets:**

- a) The Company has maintained proper records showing full particulars, including quantative details and situation of fixed assets.
- b) As per information and explanation given to us, there is a regular programme of physical verification of all fixed assets once every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, fixed assets were physically verified by the management during the year. In our opinion and as per the information given by the management, the discrepancies observed, were not material and have been appropriately accounted for in the books.
- c) The title / lease deeds of the immovable properties are held in the name of the Company except in case of Leasehold Land/ Flats/ building/ measuring 11521.53 square meters having cost of Rs.33.99 crore and Freehold Land/ flats/ building measuring 5718.03 square meters having cost of Rs.6.51 crore, of which title/ lease deeds are pending for execution in the name of the Company.

(ii). The nature of business of the Company does not require it to have any inventory. Hence, the requirements of clause (ii) of Paragraph 3 of the said order, are not applicable to the Company.

(iii). According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to any companies, firm, limited liability partnerships or other parties covered in the register required to be maintained under section 189 of the Companies Act, 2013 (‘the Act’). Hence, reporting under clauses 3 (iii) (a), (b) and (c) of the order is not applicable to the Company.

(iv). In our opinion and according to the information and explanation given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of Investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.

(v). The Company has not accepted deposits from public during the year under review. According to the information and explanation given to us, the Company had discontinued accepting/ renewing Public Deposit under the Public Deposit Scheme w.e.f. 1st July 2019. However, the Company has complied with directives issued by National Housing Bank / Reserve Bank of India; and the provisions of section 73 to 76 and other applicable relevant provisions of the Companies Act 2013 and the rules framed thereunder with regard to deposits outstanding during the year.

(vi). According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under subsection (1) of Section 148 of the Companies Act, 2013, in respect of the business of the Company.

- (vii). a) According to the information and explanation given to us and the records produced before us for verification, the Company has generally been regular in depositing with appropriate authorities, the undisputed statutory dues including Provident fund, Income tax, Wealth tax, GST and any Other Statutory dues applicable to it;
- b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income tax, Sales tax/ Value Added Tax, Service Tax, GST and any other material statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they became payable;
- c) According to the information and explanations given to us, the Income tax, wealth tax and services tax dues which are pending on account of dispute are as under:

Name of the Statute	Nature of Dues	Amount (in ₹ crore)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disputed Income-tax demand	20.30#	AY 1996-97, AY 1998-1999	Add. CIT and High Court
Income Tax Act, 1961	Disputed Income-tax demand	20.55#	AY 2004-05 and AY 2015-16	ITAT and Add. CIT
Income Tax Act, 1961	Disputed Income-tax demand	40.65#	AY 2010-11 to AY 2012-13 and AY 2014-15	ITAT

Name of the Statute	Nature of Dues	Amount (in ₹ crore)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disputed Income-tax demand	37.70#	AY 2013-14, AY 2016-17 and AY 2017-18	CIT(A)
Income Tax Act, 1961	Disputed Income-tax demand	77.53#	AY 1998-99 to AY 2004-05, AY 2007-08 and AY 2008-09	Add. CIT
Income Tax Act, 1961	Disputed Income-tax demand	73.90#	AY 2005-06 to AY 2009-10	Add. CIT, ITAT and Supreme Court
Income Tax Act, 1961	Disputed Income-tax demand	13.38#	AY 1997-98	CBDT and Add. CIT
Wealth Tax Act, 1957	Wealth Tax	0.01@	AY 1995-96	Add. CIT
Service Tax- Finance Act, 1994	Disputed Service tax demand	2.32*	FY 2007-08 to FY 2017-18	Assistant/ Deputy/ Joint Commissioner of Service Tax/ GST
Service Tax- Finance Act, 1994	Disputed Service tax demand	2.49*	FY 2004-05 to FY 2007-08	High Court
Service Tax- Finance Act, 1994	Disputed Service tax demand	1.91*	FY 2005-06 to FY 2008-09	CESTAT
	Total	290.74		

Against disputed Income tax demand amounting to Rs. 284.01 crore, Rs. 279.79 crore has been adjusted by authorities or paid by the Company under protest from time to time and remaining Rs. 4.22 crore has not been paid.

@ Wealth tax demand amounting to Rs. 0.01 crore paid under Protest by the Company.

* In respect of disputed Service Tax demand amounting to Rs. 6.72 crore, Rs. 2.63 crore has been paid by the Company under protest from time to time and remaining Rs. 4.09 crore has not been paid.

d) According to the information and explanations given to us, the amount which was required to be transferred to Investor Education and Protection Fund in accordance with sub section (5) of section 125 of the Companies Act, 2013 has been transferred. The unclaimed amount lying in other financial liabilities includes interest of Rs. 0.02 crore as on March 31st 2021, which have lapsed 7 years from the respective due dates of interest payment and not transferred to IEPF, since 7 years from the maturity date of bonds / deposits / debentures has not been completed yet. (Refer Para 15 of Note 40 to standalone financial statements).

- (viii). In our opinion and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and Government or debenture holders;
- (ix). According to the information and explanation given to us, the Company has raised the money through bonds issue, and term loan. The proceeds of such bonds issue and terms loan have been utilized for the purpose for which they were issued.;
- (x). According to the information and explanation given to us and as represented by the management and based on our examination of the books and records of the Company and in accordance with the Generally Accepted Auditing Practices in India, no case of frauds by the Company or on the Company by its officers or employees has been noticed or reported during the year;
- (xi). The provisions of Section 197 of the Companies Act, 2013 relating to managerial remuneration are not applicable to the Company, being a Government Company, in terms of MCA Notification no. G.S.R. 463 (E) dated 5th June 2015;
- (xii). The Company is not a Nidhi Company and hence, the requirement of clause 3(xii) of the order is not applicable;
- (xiii). In our opinion and according to the information and explanation given to us, transactions during the year with related parties were approved by the Audit Committee and are in compliance with Section 177 of the Companies Act, 2013 where applicable and since the said transactions were in the ordinary course of business of the Company and were at arm length basis, the provisions of Section 188 are not applicable, and the details have been disclosed in the Standalone Financial Statements, as required by the applicable Indian accounting standards (Ind AS);

- (xiv). According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv). In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transaction with director or persons connected with him;
- (xvi). The Company being a Housing Finance Company, is registered with National Housing Bank vide Registration No. 01.0016.01 by which NHB has granted status of Housing Finance Company (HFC) to the Company on 31st July 2001. Further, Reserve Bank of India has issued notification RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated 22 October 2020 on regulatory framework for HFCs by which the definition of HFCs has undergone a change. The Company is not meeting principal business criterion as mentioned in the notification for Housing Finance Companies. Accordingly, the Company is required to get itself registered as NBFC in terms of the said notification. However, on the request of the Company, RBI vide its letter No. DoR.FIN.No.590/03.10.136/2020-21 dated 26 March 2021 has granted six months' time to Company to submit board approved plan for conversion to NBFC and obtain fresh registration accordingly.

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. : 097379)
UDIN: 21097379AAAACQ3928

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Annexure referred to in paragraph “16” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Housing and Urban Development Corporation Limited on the Standalone Financial Statements for the year ended 31st March, 2021)

Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of Housing and Urban Development Corporation Limited for the year 2020-21 issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013.

SR. NO	AREAS TO BE EXAMINED	REPLY FOR THE AREAS EXAMINED
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If, yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	<p>The Company has the system in place to process all the accounting transactions through IT systems with some exceptions. It has been observed that all the base calculation like finalization of PDS Interest, Interest Payable on bonds and Borrowings, Depreciation etc. are processed outside IT systems i.e through excel sheets. Once the calculations are finalized then final vouchers are passed through various IT System. During the course of verification on test check basis, we have not come across any major calculation mistakes.</p> <p>As informed to us Company is using Lenova Server, Weblogic, Linux OS and Developer forms/ Oracle for maintaining the Holfin in which accounting entries/ vouchers are routed through.</p> <p>The Company is also in process of implementation of ERP.</p>
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for. (In case lender is a Government Company, then this direction is also applicable for statutory auditor of lender Company)	<p>During the Financial Year 2020-21, no cases of restructuring of an existing loan or case of waiver/ write-off of debts/loans/Interest etc. made by a lender to the Company due to the Company's inability to repay the loan has been observed.</p> <p>However, the Company being lender Company has implemented restructuring/resolution plans in respect of 2 project loan accounts amounting to Rs. 526.87 crores during the financial year under audit. Out of an amount of Rs. 204.86 crore (Principal amount) written off on implementation of plans as aforesaid, an amount of Rs. 111.78 crore has been charged to Statement of Profit and Loss account and Rs. 93.08 crore has been adjusted from reserve for bad and doubtful debts. However, there is corresponding reversal in ECL allowance in this regard.</p> <p>Further, the Company has provided ex-gratia payment of difference between compound and simple interest amounting Rs. 0.09 crore for the period 1 March 2020 to 31 August 2020 in view of Govt. of India, Ministry of Finance, department of Financial Services, Letter No. F. No.2/12/2020-BOA.I Dated 23 October 2020 for loans outstanding amount not exceeding Rs. 2 crore in view of extreme Covid-19 situation. As the amount is reimbursed by State bank of India, there is no financial impact.</p> <p>Even further, the Company has approved a policy for refund of interest on interest and penal interest for eligible borrowers during the moratorium period from 1 March 2020 to 31 August 2020 in view of RBI Circular No. RBI/2021-22/ 17DOR.STR.REC.4 / 21.01.048/ 2021-22 dated 7 April 2021 in compliance of Hon'ble Supreme Court order. The Company has made a provision of Rs. 17.60 crore for the year ended 31 March 2021 and accordingly interest income by an amount of Rs. 17.60 crore has been reduced.</p>
3.	Whether funds (Grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	<p>On the basis of selective audit procedures, we have observed that the Company has not received any grant/ subsidy from Central/ State Govt. agencies for their own utilization. The Company act as channelizing agency for different Govt. of India's Programmes. The funds received/ receivable for specific schemes from Central/ State agencies in this regard were properly accounted for/ utilized as per its terms and conditions.</p>

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. : 097379)
UDIN: 21097379AAAACQ3928

ANNEXURE "C" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31ST MARCH 2021

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

1. We have audited the internal financial controls over financial reporting of **HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED** ("the Company") as of March 31st, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
 (Membership No. : 097379)
 UDIN: 21097379AAAACQ3928

Annexure-III

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of Housing and Urban Development Corporation Limited for the year ended 31st March, 2021; in accordance with the directions / sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions / Sub-directions issued to us.

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
 (Membership No. : 097379)

BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in crore)

S.No.	PARTICULARS	NOTE No.	As at 31 st March, 2021	As at 31 st March, 2020
I	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	6	1,286.12	222.67
(b)	Bank Balance other than (a) above	7	141.28	200.14
(c)	Derivative Financial Instruments	8	0.66	1.61
(d)	Receivables			
	- Trade Receivables	9	7.93	6.24
	- Other Receivables		3.89	5.22
(e)	Loans	10	74,291.89	74,267.92
(f)	Investments	11	250.87	233.51
(g)	Other Financial Assets	12	501.94	697.90
	Sub Total (1)		76,484.58	75,635.21
2	Non-Financial Assets			
(a)	Current Tax Assets (Net)	13	-	1.99
(b)	Investment Property	14A	18.62	19.28
(c)	Property, Plant and Equipment	14B	62.58	45.27
(d)	Capital Work-in-Progress	14C	17.49	51.56
(e)	Intangible Assets under Development	14D	21.15	-
(f)	Other Intangible Assets	14E	0.31	0.28
(g)	Other Non-Financial Assets	15	354.32	373.40
	Sub Total (2)		474.47	491.78
	TOTAL ASSETS (1+2)		76,959.05	76,126.99
II	LIABILITIES AND EQUITY			
A	Liabilities			
1	Financial Liabilities			
(a)	Derivative Financial Instruments	8	-	-
(b)	Payables			
(i)	Trade Payable	16	-	-
	- Total outstanding dues of MSME		-	-
	- Total outstanding dues of creditors other than MSME		0.10	0.11
(ii)	Other Payables			
	- Total outstanding dues of MSME		0.39	0.09
	- Total outstanding dues of creditors other than MSME		11.73	17.39
(c)	Debt Securities	17	58,057.55	53,991.49
(d)	Borrowings	18	2,897.64	7,276.65
(e)	Deposits	19	22.77	168.47
(f)	Other Financial Liabilities	20	1,729.32	1,639.42
	Sub Total (A-1)		62,719.50	63,093.62
2	Non-Financial Liabilities			
(a)	Current Tax Liabilities (Net)	13	8.41	-
(b)	Provisions	21	332.82	220.65
(c)	Deferred Tax Liabilities (Net)	22	633.68	413.55
(d)	Other Non-Financial Liabilities	23	75.59	55.68
	Sub Total (A-2)		1,050.50	689.88
	Sub Total (A)		63,770.00	63,783.50
B	Equity			
(a)	Equity Share Capital	24	2,001.90	2,001.90
(b)	Other Equity	25	11,187.15	10,341.59
	Sub Total (B)		13,189.05	12,343.49
	TOTAL LIABILITIES AND EQUITY (A+B)		76,959.05	76,126.99

Notes to Accounts

Note: The Notes referred to above form an integral part of the Financial Statements

1 to 40

For and on behalf of the Board

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

As per our Separate report of even date attached

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. 097379)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in crore)

S.No.	PARTICULARS	NOTE No.	Year ended 31 st March, 2021	Year ended 31 st March, 2020
I	INCOME			
A	Revenue from Operations			
(a)	Interest Income	26	7,172.62	7,482.57
(b)	Dividend Income		3.44	3.79
(c)	Rental Income	14A	40.60	35.54
(d)	Fees and Commission Income		6.39	6.27
(e)	Net Gain on Fair Value changes	27	8.82	-
(f)	Sale of Services		2.71	3.95
	Total Revenue from Operations (A)		7,234.58	7,532.12
B	Other Income	28	43.15	39.52
	Total Income I (A+B)		7,277.73	7,571.64
II	EXPENSES			
(a)	Finance Cost	29	4,764.82	4,847.81
(b)	Fees and Commission Expense		2.03	2.55
(c)	Net Loss on Fair Value Changes	27	-	19.21
(d)	Employee Benefit Expense	30	206.25	239.02
(e)	Impairment on Financial Instruments	31	(73.63)	155.76
(f)	Depreciation, Amortization & Impairment	14A,B&E	6.98	5.71
(g)	Corporate Social Responsibilities	40(33)(i)	85.93	56.93
(h)	Other Expenses	32	56.71	70.12
	Total Expenses II		5,049.09	5,397.11
III	Profit/ (Loss) Before Tax (I-II)		2,228.64	2,174.53
IV	Tax Expense:			
(i)	Current Tax		427.50	453.00
(ii)	Deferred Tax		226.64	14.91
(iii)	Adjustment of tax of earlier years (Net)		(4.08)	(1.80)
	Total Tax Expenses IV (i+ii+iii)		650.06	466.11
V	Profit/ (Loss) for the Period		1,578.58	1,708.42
VI	Other Comprehensive Income			
A (i)	Items that will not be reclassified to profit or loss (specify items and amounts)			
	Re-measurement gains (losses) on defined benefit plans		(25.88)	(22.24)
(ii)	Income tax relating to items that will not be reclassified to profit or loss		6.51	5.60
	Sub-total (A)		(19.37)	(16.64)
B (i)	Items that will be reclassified to profit and loss (specify items and amounts)		-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub-total (B)		-	-
	Other Comprehensive Income (A + B)		(19.37)	(16.64)
VII	Total Comprehensive Income for the period		1,559.21	1,691.78
	Earnings per equity share (for continuing operations)			
	Basic (₹)		7.89	8.53
	Diluted (₹)		7.89	8.53
Notes to Accounts Note: The Notes referred to above form an integral part of the Financial Statements		1 to 40		
<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>Sd/- Harish Kumar Sharma Company Secretary ACS 6557</p> </div> <div style="width: 30%;"> <p>Sd/- D. Guhan Director Finance & Chief Financial Officer DIN 06757569</p> </div> <div style="width: 30%;"> <p>For and on behalf of the Board Sd/- M. Nagaraj Director Corporate Planning DIN 05184848</p> </div> </div> <p style="text-align: right;">As per our Separate report of even date attached</p> <p style="text-align: right;">For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)</p> <p style="text-align: right;">Sd/- Rajan Uppal Partner (Membership No. 097379)</p>				
Place of signature : New Delhi				
Date : 29 th June, 2021				

STATEMENT OF CHANGES IN EQUITY

(a) Equity Share Capital

Equity share of ₹ 10/- each fully Issued, Subscribed and Paid up	₹ in crore
As at 31 st March, 2020	2,001.90
As at 31 st March, 2021	2,001.90

(b) Other Equity

(₹ in crore)

S.No.	Particulars	Reserves and Surplus									Total
		Securities Premium (Bonds)*	Statutory Reserves			Other Reserves			Retained Earning		
			Debenture/Bond Redemption Reserve**	Special Reserve ***	Impairment Reserve#	Capital (KfW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	General Reserve	Surplus	
1	Balance as on 01 st April, 2019	1.26	2,997.21	4,295.19	-	59.96	72.07	86.86	1,405.08	36.24	8,953.87
	Final Dividend for the year 2018-19									(30.03)	(30.03)
	Dividend Distribution Tax on above.									(6.17)	(6.17)
	Profit during FY 2019-20									1,708.42	1,708.42
	Other Comprehensive Income for the year 2019-20									(16.64)	(16.64)
	Total Comprehensive Income for the year 2019-20									1,691.78	1,691.78
	Transferred from Surplus to DRR		439.83							(439.83)	-
	Transferred from Surplus to Reserve for Bad & Doubtful Debt							93.08		(93.08)	-
	Transferred from Surplus to Special Reserve			500.00						(500.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver							(86.86)		-	(86.86)
	Interim Dividend during FY 2019-20									(150.14)	(150.14)
	Dividend Distribution Tax on above									(30.86)	(30.86)
2	Balance as at 01 st April, 2020	1.26	3,437.04	4,795.19	-	59.96	72.07	93.08	1,405.08	477.91	10,341.59
	Final Dividend for 2019-20									(470.44)	(470.44)
	Profit during FY 2020-21									1,578.58	1,578.58
	Other Comprehensive Income for the year 2020-21									(19.37)	(19.37)
	Total Comprehensive Income for the year 2020-21									1,559.21	1,559.21
	Transferred from Surplus to General Reserve									-	-
	Transferred from Surplus to Impairment Reserve				161.81					(161.81)	-
	Transferred from Surplus to DRR		439.83							(439.83)	-

(₹ in crore)

S.No.	Particulars	Reserves and Surplus								Total	
		Securities Premium (Bonds)*	Statutory Reserves			Other Reserves			Retained Earning		
			Debenture/Bond Redemption Reserve**	Special Reserve ***	Impairment Reserve#	Capital (KW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	General Reserve		Surplus
	Transferred from Surplus to Reserve for Bad & Doubtful Debt							89.00		(89.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver							(93.08)		-	(93.08)
	Transferred from Surplus to Special Reserve				440.00					(440.00)	-
	Interim Dividend during FY 2020-21									(150.14)	(150.14)
3	Balance as at 31 st March, 2021	1.26	3,876.87	5,235.19	161.81	59.96	72.07	89.00	1,405.08	285.90	11,187.15

* Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement.

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

** 2.) The Company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, 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.

*** Created u/s 36(1) (viii) of the Income Tax Act, 1961 and u/s 29C of NHB Act, 1987 (upto Financial Year 1996-97) amounting to ₹ 181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹ 5053.44 crore.

Refer Point no. 5 of Explanatory Note 40.

Notes to Accounts

1 to 40

Note: The Notes referred to above form an integral part of the Financial Statements

For and on behalf of the Board	
Sd/- Harish Kumar Sharma Company Secretary ACS 6557	Sd/- M. Nagaraj Director Corporate Planning DIN 05184848
	Sd/- D. Guhan Director Finance & Chief Financial Officer DIN 06757569
	Sd/- Rajan Uppal Partner (Membership No. 097379)
Place of signature : New Delhi Date : 29th June, 2021	As per our Separate report of even date attached For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in crore)

S.No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
A	Operating activities		
	Profit before tax	2,228.64	2,174.53
	Adjustments to reconcile profit before tax to net cash flows:		
(i)	Depreciation & amortisation	6.98	5.71
(ii)	Impairment on financial instruments	(73.63)	155.76
(iii)	Unrealised foreign exchange gain/loss and EIR on borrowings	3.82	6.26
(iv)	Unrealised loss/ (gain) on investment held for trading & derivatives	(9.77)	5.53
(v)	Change in the fair value of hedged item	0.95	13.68
(vi)	Dividend income	(3.44)	(3.79)
(vii)	Interest on investments	(0.48)	(21.88)
(viii)	Provision for employee benefits and CSR	85.13	18.45
(ix)	Provision for Interest under Income Tax Act	0.50	2.00
(x)	Loss/ (Profit) on sale of Fixed Assets (Net)	-	(0.01)
(xi)	EIR on Advances	9.58	3.75
(xii)	Discounting of security deposit and deposit for services	-	(0.05)
(xiii)	Discounting of Interest Income on Staff Advances	(2.63)	(2.66)
(xiv)	Discounting of Employee cost of Staff advances	2.38	2.27
	Operating Profit before Working capital changes	2,248.03	2,359.55
	Working capital changes		
(i)	Loans	(52.50)	(3549.98)
(ii)	Trade receivables, financial and non-financial assets	274.47	25.12
(iii)	Liabilities and provisions	110.50	286.05
	Sub Total	332.47	(3238.81)
	Income tax paid (Net of refunds)	(419.59)	(456.99)
	Net cash flows from/(used in) operating activities - A	2,160.91	(1336.25)
B	Investing activities		
(i)	Purchase of fixed and intangible assets	(10.83)	(15.49)
(ii)	Proceeds from sale of property and equipment	0.09	2.58
(iii)	Investments at fair value through Profit and Loss	(7.11)	91.76
(iv)	Dividend received	3.44	3.79
	Net cash flows from/(used in) investing activities - B	(14.41)	82.64
C	Financing activities		
(i)	Change in borrowings	(462.47)	1,582.39
(ii)	Dividends paid including DDT	(620.58)	(217.21)
	Net cash flows from financing activities - C	(1083.05)	1365.18
D	Net increase in cash and cash equivalents A+B+C	1,063.45	111.57
	Cash and cash equivalents at 1 st April, 2020	222.67	111.10
	Cash and cash equivalents at 31st March, 2021	1,286.12	222.67

Components of Cash & Cash Equivalents

A	Cash & Cash Equivalents		
(i)	Cash & Revenue Stamps in hand	-	-
(ii)	Imprest	-	-
(iii)	Bank Deposits (3 months and less than 3 months)*	1,228.89	176.86
(iv)	Balances in Current Account with		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks*	57.21	45.79
	- Demand Drafts in hand	-	-
	Total	1,286.12	222.67

* Earmarked balances in cash & cash equivalents are ₹ 52.20 crore (previous year ₹ 188.46 crore)

Note: Cash Flows has been prepared using Indirect Method whereby profit for the year is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash flows are separated into operating, investing and financing activities.

For and on behalf of the Board

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

As per our Separate report of even date attached

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. 097379)

NOTES FORMING PART OF ACCOUNTS

1. Corporate information

Housing and Urban Development Corporation Limited is a listed public limited Company (Government of India undertaking) domiciled in India and incorporated on 25th April, 1970 under the provisions of Companies Act, 1956. The Company's registered office is at Core 7A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003. The Company is a Housing Finance Company ('HFC') registered with the National Housing Bank ('NHB'). The Company is primarily engaged in the business of financing Housing and Urban development activities in the country.

The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB. RBI has issued notification dated October 22, 2020, on regulatory framework for HFCs, by which the definition of HFCs has undergone a change. RBI has granted 6 months' time for transition to NBFC and to continue operations with the special dispensations/ relaxations given earlier with regard to credit concentration norms/ exposure norms permitted by NHB/ RBI. HUDCO is in the process of seeking fresh registration under RBI (Refer Point no.13 of Note 40 to the Notes to Accounts).

2. Application of New Indian Accounting Standards (Ind AS)

All the Indian Accounting Standards issued and notified by the Ministry of Corporate affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing the standalone Ind AS Financial Statements.

3. Standard/Amendments issued but not yet effective

No amendments issued during Financial Year 2020-21, are yet effective.

4. Significant accounting policies

4.1. Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended).

4.2. Basis of preparation and Presentation

The standalone Ind AS financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets (equity instruments classified as Fair Value Through P&L Account etc.) and financial liabilities (derivatives etc.) and financial liabilities that are measured at fair value at the end of each reporting date as required under relevant Ind AS.

4.3. Investment in associates and joint ventures

The Company records the investments in associates and joint ventures at cost less impairment loss, if any.

On disposal of Investment in associate, and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the standalone statement of profit and loss.

4.4. Use of estimates

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

4.5. Cash and cash equivalents

Cash and cash equivalent comprise of cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and stamping/franking balance, which are subject to an insignificant risk of changes in value.

NOTES : (Contd.)

4.6. Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are recorded by the Company at the exchange rates prevailing on the date of the transaction.

At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange (RBI Reference Rate) prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss in the period in which they arise.

4.7. Revenue recognition

4.7.1 Interest income

As per Ind AS 109, Interest income, for all debt instruments measured is recorded using the effective interest rate (EIR). The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are incrementally directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company has recognized any fees that are incrementally directly attributable to the loans on the basis of Straight Line Basis co -terminus with the term of loan.

Interest income in Non-Performing Assets and /or Stage 3 in Financial Assets is recognized only on cash/receipt basis.

4.7.2 Dividends

Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

4.7.3 Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

4.7.4 "Revenue from Contracts with Customers" which includes but not limited to Consultancy, trusteeship, & Consortium, charges on Construction Projects, Management Development Program or any other income is recognized as per Ind AS 115 on "Revenue from Contracts with Customers"

4.8. Borrowing costs

Borrowing costs directly attributable to the acquisition are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

4.9. Investment properties-Ind AS 40

Recognition

Investment properties are measured initially at cost, including transaction costs. The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent Measurement (Depreciation)

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated

NOTES : (Contd.)

impairment loss, if any. The Company depreciates building component of Investment property over useful life prescribed under Part C of schedule II to the Companies Act, 2013. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

De-recognition

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of profit or loss in the period of de-recognition on disposal.

4.10. Property, Plant and Equipment (PPE) and Intangible assets

Recognition

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1st April 2017.

Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment (PPE) is charged on Straight line method either on the basis of rates arrived at with the reference to the useful life of the assets arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Derecognition

An item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss account when the asset is derecognized.

Intangible assets

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible Assets comprising of Computer Software are stated at Cost less accumulated amortization.

4.11. Depreciation and amortization

- a) Depreciation is provided over the useful life of the PPE set as per Schedule-II of Companies Act, 2013 and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as residual value effective from 1st April, 2014.
- b) On PPE costing upto Rs. 5000 per item are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- c) Books purchased during the year are clubbed under Library Books and depreciation thereon is provided @ 100%.
- d) Computer software is amortized over a period of five years on a straight-line basis.

4.12 Capital -work-in -Progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct and related incidental expenses.

Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance sheet are disclosed as Intangible assets under development.

4.13. Leases

(a) Company as a lessee

- (i) The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for

NOTES : (Contd.)

any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is re-measured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the term of relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".

4.14. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities i.e. Loans and advances, Equity investments, Derivative financial instruments and all other financial assets and liabilities are recognised initially at fair value plus or minus transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability except in the case of financial assets or financial liability recorded at fair value through profit or loss where the transaction cost are charged to profit and loss.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES : (Contd.)

(ii) **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments other than which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(v) **Financial liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) **Derivative financial instruments**

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

(i) **Financial assets or financial liabilities, at fair value through profit or loss**

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial

NOTES : (Contd.)

asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.15 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from retained earnings, net of any related income tax effects.

4.16. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.17. Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance with the principles laid down in Ind AS 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting

NOTES : (Contd.)

date and the financial assets are classified into three categories based on the number of days of past due:-

Stage – 1	-	0-30 days
Stage – 2	-	31-90 days
Stage – 3	-	Above 90 days.

The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provision is made in order to establish a balance in the provision for loans that the Corporation's management considers prudent and adequate keeping in view the unforeseen events and happenings such as change in policy of Government and procedural delays in repayments from the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification of Loans

The Company allows concessions or modification of loan term as a response to the borrowers' financial difficulties rather than taking possession or to other wise enforce collection of security. The Company considers a loan forborne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the Company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case by case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the Company also reassesses whether there has been a significant increase in credit risk.

b) Non-financial assets

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

4.18. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

NOTES : (Contd.)

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

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

4.19. Employee benefits

- (a) Expenditure on Company contributions to Provident Fund, Group Saving Linked Insurance Scheme, EPFO's Employees' Pension Scheme and HUDCO's Employees' Pension Scheme is accounted for on accrual basis in accordance with the terms of the relevant schemes and charged to Statement of Profit & Loss. The Company's obligation towards gratuity, provident fund and post-retirement medical benefits to employees are actuarially determined and provided for as per Ind AS 19 on Employee Benefits. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
- (b) The Company's obligation towards sick leave, earned leave, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.

4.20. Taxes – Ind AS 12

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

In respect of disputed income tax / wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

NOTES : (Contd.)

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.21. Dividend

Proposed final dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

4.22. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

4.23. Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

5. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.1 Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets

NOTES : (Contd.)

and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

5.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

5.3 Effective Interest Rate (EIR) method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

5.4 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

NOTES : (Contd.)

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.5 Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

5.6 Revenue from contract with Customers

The Company's contracts with customers include promises to transfer services to a customer. The Company assesses the services promised in a contract and identifies performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or services, transfer of significant risks and rewards to the customer, etc.

5.7 Leases

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.

5.8 Impact of Covid

Impact of Covid-19 Outbreak - The extent to which the Covid-19 pandemic will impact the Company will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Govt. or the Company to contain its spread or mitigate its impact.

NOTE 6 : CASH AND CASH EQUIVALENTS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Cash and Cash Equivalents		
(i)	Cash and Revenue Stamps in hand	-	-
(ii)	Bank Deposits (3 months and less than 3 months) **	1,228.89	176.86
(iii)	Balances in Current account with:		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks * \$	57.21	45.79
(iv)	Cheque/Demand draft in hand	-	-
	Total	1,286.12	222.67

\$ Balances with Banks in current accounts maintained with various Banks.

Components of Cash & Cash Equivalents : Earmarked balances with Bank

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
*	Balances in Current Accounts With Scheduled Banks:		
(i)	Rajiv Rinn Yojana	0.07	0.11
(ii)	No-Lien account of Andrews Ganj Project	0.08	0.08
(iii)	Heritage Project - Retail Finance	0.04	0.07
(iv)	Interest Subsidy for Housing Urban Poor (ISHUP)	0.01	0.01
(v)	Credit Linked Subsidy Scheme	11.59	2.99
(vi)	BSUP Project	0.01	-
(vii)	Interim Dividend Balance	15.30	0.45
(viii)	Unclaimed Dividend	0.63	0.03
(ix)	Unclaimed Bonds	9.20	7.86
	Sub Total - Balances in Current Accounts With Schedules Banks	36.93	11.60
**	Bank Deposits (3 months & Less than 3 months)		
(i)	Vikat Hotel	3.93	3.81
(ii)	Credit Linked Subsidy Scheme #	3.00	133.40
(iii)	Sagar Co-operative Housing Society #	0.28	0.26
(iv)	Rajiv Rinn Yojana	0.65	0.85
(v)	DRT Chennai	0.15	-
(vi)	Liquid Assets Fixed Deposits @	7.26	38.54
	Sub Total - Bank Deposits (3 months & Less than 3 months)	15.27	176.86

Includes interest accrued but not due.

@ Fixed Deposits are maintained as per the requirements of section 29B of National Housing Bank Act, 1987.

NOTE 7 : BANK BALANCES OTHER THAN ABOVE

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A	Bank balance other than above		
(i)	Bank Deposits (More than 3 months & upto 12 months) *#%	95.44	123.73
(ii)	Bank Deposits - (More than 12 months) ** #	45.84	76.41
	Total	141.28	200.14

% Includes Deposit with EXIM Bank in terms of swap arrangement in respect of ADB Loan.

*** Components of Bank balances - Earmarked Bank Deposits (More than 3 months & upto 12 months) :**

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i)	Human Settlement Management Institute Study Fund #	4.09	3.88
(ii)	Rajiv Rinn Yojana #	39.60	37.77
(iii)	Heritage Project - Retail Finance #	1.80	1.84
(iv)	SPIIL #	0.36	0.34
(v)	BSUP Project	3.45	3.23
(vi)	OCRPMO	0.31	0.28
	Sub Total - Bank Deposits (More than 3 months & upto 12 months)	49.61	47.34

Note : Short term deposits are made for varying periods upto one year depending on short term liquidity requirements of HUDCO and earn interest at respective short term deposit rates.

**** Components of Bank balances - Earmarked Bank Deposits (More than 12 months) :**

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i)	Under lien with Bank of India, Cayman Island branch, USA #	45.84	76.41
		45.84	76.41

Includes interest accrued but not due.

NOTE 8 : DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
		Notional amounts	Fair value assets	Fair value liabilities	Notional amounts	Fair value assets	Fair value liabilities
		1	2	3	1	2	3
A	PART I						
	Currency Derivatives:						
	I						
	Currency Swaps						
	(a)						
	USAID - II	10.30	0.66	-	17.17	1.61	-
	- with ICICI Bank						
	Forward Contract	-	-	-	-	-	-
	Total A	10.30	0.66	-	17.17	1.61	-
B	Interest rate derivatives:						
	- Interest rate Swaps	-	-	-	-	-	-
	Total B	-	-	-	-	-	-
	Total Part I (A) + (B)	10.30	0.66	-	17.17	1.61	-
A	Part II						
	Included in above (Part I) are Derivatives held for Hedging and Risk Management Purposes as follows:						
	Fair value hedging:	-	-	-	-	-	-
	Sub-total A	-	-	-	-	-	-
	Cash flow hedging:	-	-	-	-	-	-
B	Sub-total B	-	-	-	-	-	-
C	Net Investment hedging:	-	-	-	-	-	-
	Sub-total C	-	-	-	-	-	-
D	Undesignated derivatives						
		10.30	0.66	-	17.17	1.61	-
	Sub-total D	10.30	0.66	-	17.17	1.61	-
	Total Part II (A) + (B) + (C) + (D)	10.30	0.66	-	17.17	1.61	-
	Total derivative financial instruments	10.30	0.66	-	17.17	1.61	-

Note:

- The table above shows fair value of Derivative financial instruments recorded as Assets/Liabilities together with their Notional amounts. The Notional amounts indicate the value of transactions outstanding at the period end and are not indicative of market or credit risk.
- The fair value of the derivative financial instruments are those as informed by the counter parties (generally Banks).
- The Company holds Derivative financial instruments such as foreign exchange forward contracts, currency swaps or currency option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency liabilities/forecasted cash flow denominated in foreign currencies. Derivatives are used exclusively for hedging and not as trading or speculative instruments. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. The counter party for these contracts is generally a bank.
- Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in statement of Profit and Loss.
- The Company's risk management strategy and how it is applied to manage risk are explained in Note 36 of Notes to Accounts.

NOTE 8 : (Contd.)**Offsetting**

Financial assets subject to offsetting, netting arrangements

(₹ in crore)

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
At 31 st March, 2021	0.66	-	0.66	-	-	-	0.66	0.66	-
At 31 st March, 2020	1.61	-	1.61	-	-	-	1.61	1.61	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

Financial liabilities subject to offsetting, netting arrangements

(₹ in crore)

Particulars	Offsetting recognised on the Balance Sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities *	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
Derivative liabilities									
At 31 st March, 2021	-	-	-	-	-	-	-	-	-
At 31 st March, 2020	-	-	-	-	-	-	-	-	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

NOTE 9 : RECEIVABLES

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2021	As at 31 st March, 2020
I	TRADE RECEIVABLE			
(i)	- Considered good- Unsecured	24.73		23.07
(ii)	- Less: Credit Impaired	16.80		16.83
	Sub-total (I)		7.93	6.24
II	OTHER RECEIVABLE			
(i)	- Considered good- Unsecured	5.37		6.70
(ii)	- Less: Credit Impaired	1.48		1.48
	Sub-total (II)		3.89	5.22
	Total (I+II)		11.82	11.46

Footnote:

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
1	- Considered good- Secured	-	-
	- Considered good- Unsecured	30.10	29.77
	- Credit Impaired	18.28	18.31
2	Trade Receivable stated above include debts due by:		
	Director	Nil	Nil
	Other Officers of the Company	Nil	Nil
	Firm in which director is a partner	Nil	Nil
	Private Company in which director is a member	Nil	Nil

NOTE 10 : LOANS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021					As at 31 st March, 2020						
		Amortised Cost	At fair value			Subtotal	Total	Amortised Cost	At fair value			Subtotal	Total
			Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss				Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss		
		1	2	3	4	5=(2+3+4)	6=(1+5)	1	2	3	4	5=(2+3+4)	6=(1+5)
A	Term Loans												
	(a) Loans & advances	77,000.04	-	-	-	-	77,000.04	77,163.37	-	-	-	-	77,163.37
	(ii) Others												
	(a) Staff loans *	45.77	-	-	-	-	45.77	44.36	-	-	-	-	44.36
	Total (A) - Gross	77,045.81	-	-	-	-	-	77,045.81	77,207.73	-	-	-	-
(iii)	Less: Impairment loss allowance (Refer S.No. 5 (b), 12 & 28 of Note No. 40- Explanatory notes)#	2,753.92	-	-	-	-	2,753.92	2,939.81	-	-	-	-	2,939.81
	Total (A) - Net	74,291.89	-	-	-	-	74,291.89	74,267.92	-	-	-	-	74,267.92
B	Secured by tangible assets.	9,141.26	-	-	-	-	9,141.26	9,948.08	-	-	-	-	9,948.08
	(ii) Secured by intangible assets.	-	-	-	-	-	-	-	-	-	-	-	-
	(iii) Covered by Bank/ Government Guarantees @	67,618.54	-	-	-	-	67,618.54	66,813.07	-	-	-	-	66,813.07
	(iv) Unsecured	286.01	-	-	-	-	286.01	446.58	-	-	-	-	446.58
	Total (B) - Gross	77,045.81	-	-	-	-	-	77,045.81	77,207.73	-	-	-	-
(v)	Less: Impairment Loss Allowance	2,753.92	-	-	-	-	2,753.92	2,939.81	-	-	-	-	2,939.81
	Total (B) - Net	74,291.89	-	-	-	-	74,291.89	74,267.92	-	-	-	-	74,267.92
C	Public Sector	74,409.35	-	-	-	-	74,409.35	74,320.21	-	-	-	-	74,320.21
	(ii) Other than Public Sector	2,636.46	-	-	-	-	2,636.46	2,887.52	-	-	-	-	2,887.52
	Total (C) - Gross	77,045.81	-	-	-	-	-	77,045.81	77,207.73	-	-	-	-
(iii)	Less: Impairment Loss Allowance	2,753.92	-	-	-	-	2,753.92	2,939.81	-	-	-	-	2,939.81
	Total (C) - Net	74,291.89	-	-	-	-	74,291.89	74,267.92	-	-	-	-	74,267.92

Note: The Company has only 'Amortised cost category' to present in this schedule.

* Includes secured by way of mortgage of ₹ 34.89 crore (previous year ₹34.17 crore)

Includes provision on undrawn commitment of ₹ 0.57 crore (previous year ₹ 0.46 crore)

@ Includes ₹ 5.61 crore (previous year ₹ 5.61 crore) of Loans secured through Bank Guarantees.

@ Includes loan of ₹ 20,000 crore (Previous Year ₹ 20,000 crore) extended to BMTPC, raised by issue of "GOI fully serviced Bonds", repayment of which shall be met by Government of India through suitable provision in the Budget of Ministry of Housing and Urban Affairs.

NOTE 10 : (Contd.)

NOTE: 10(a)(1): Impairment allowance for loans and advances to customers

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 10(a)(4)(ii) and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 10(a)(4)(vi).

31st March, 2021

(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	1,397.34	70.86	357.19	1,825.39
Low_Risk	37,979.79	5,859.36	45.38	43,884.53
Grand Total	39,377.13	5,930.22	402.57	45,709.92

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	0.18	-	-	0.18
Medium_Risk	4,293.08	-	143.05	4,436.13
Low_Risk	21,890.33	980.09	5.85	22,876.26
Grand Total	26,183.58	980.09	148.90	27,312.57

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	-	-	2,466.74	2,466.74
Low_Risk	-	-	5.61	5.61
Grand Total	-	-	2,483.79	2,483.79

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	173.29	-	-	173.29
Medium_Risk	80.86	7.40	18.76	107.02
Low_Risk	-	-	-	-
Grand Total	254.15	7.40	18.76	280.31

31st March, 2020

(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	1,510.59	360.70	-	1,871.29
Low_Risk	41,482.17	460.51	41.17	41,983.85
Grand Total	42,992.76	821.21	41.17	43,855.14

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	159.10	-	-	159.10
Medium_Risk	4,847.52	-	143.05	4,990.57
Low_Risk	22,803.54	1,726.04	5.85	24,535.42
Grand Total	27,810.16	1,726.04	148.90	29,685.09

NOTE 10 : (Contd.)**(iii) Non-Government**

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	0.55	-	2,701.49	2,702.04
Low_Risk	-	-	5.61	5.61
Grand Total	0.55	-	2,718.54	2,719.09

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	181.76	-	-	181.76
Medium_Risk	101.44	3.87	19.04	124.35
Low_Risk	-	-	-	-
Grand Total	283.20	3.87	19.04	306.11

NOTE: 10(a)(2)**(i) Government - Housing**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Housing lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	40,809.84	-	87.89	40,897.73
High grade	-	-	-	-
New assets originated or purchased	4,983.56	-	-	4,983.56
Assets derecognised or repaid (excluding write offs)	1,979.43	-	46.72	2,026.15
Transfers from Stage 1	(987.43)	987.43	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2020	42,826.54	987.43	41.17	43,855.14
High grade	-	-	-	-
New assets originated or purchased	3,687.89	-	-	3,687.89
Assets derecognised or repaid (excluding write offs)	1,789.56	38.33	5.22	1,833.11
Transfers from Stage 1	(5,341.82)	5,341.82	-	-
Transfers from Stage 2	-	(360.70)	360.70	-
Transfers from Stage 3	(5.92)	-	5.92	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	39,377.13	5,930.22	402.57	45,709.92

NOTE 10 : (Contd.)

(₹ in crore)

ParticularsD	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	4.41	-	87.89	92.30
High grade	-	-	-	-
New assets originated or purchased	8.69	-	-	8.69
Assets derecognised or repaid(excluding write offs)	0.19	-	46.72	46.91
Transfers from Stage 1	(8.80)	8.80	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2020	4.11	8.80	41.17	54.08
ECL allowance as at 31st March, 2020	4.11	8.80	41.17	54.08
High grade	-	-	-	-
New assets originated or purchased	0.35	-	-	0.35
Assets derecognised or repaid(excluding write offs)	0.17	0.66	1.67	2.50
Transfers from Stage 1	(0.51)	5.30	-	4.79
Transfers from Stage 2	-	(0.16)	115.42	115.26
Transfers from Stage 3	-	-	1.89	1.89
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2021	3.78	13.28	156.81	173.87

(ii) Government - Urban Infrastructure

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Urban lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	28,562.07	143.05	37.78	28,742.91
High grade	-	-	-	-
New assets originated or purchased	5,122.45	-	-	5,122.45
Assets derecognised or repaid(excluding write offs)	4,148.32	-	31.94	4,180.26
Transfers from Stage 1	(2,682.81)	2,682.81	-	-
Transfers from Stage 2	-	(143.05)	143.05	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2020	26,853.39	2,682.81	148.90	29,685.09
Gross carrying amount as at 31st March, 2020	26,853.39	2,682.81	148.90	29,685.09
High grade	-	-	-	-
New assets originated or purchased	4,613.71	9.08	-	4,622.79
Assets derecognised or repaid(excluding write offs)	6,986.11	9.21	-	6,995.32
Transfers from Stage 1	1,702.59	(1,702.59)	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	26,183.58	980.09	148.90	27,312.56

NOTE 10 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	0.77	0.01	37.78	38.56
High grade	-	-	-	-
New assets originated or purchased	51.27	-	-	51.27
Assets derecognised or repaid(excluding write offs)	0.30	-	31.94	32.24
Transfers from Stage 1	(49.81)	49.81	-	-
Transfers from Stage 2	-	(0.01)	34.33	34.32
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	1.93	49.81	40.17	91.91
High grade	-	-	-	-
New assets originated or purchased	1.47	0.45	17.17	19.09
Assets derecognised or repaid(excluding write offs)	0.75	0.42	-	1.17
Transfers from Stage 1	0.18	(1.96)	-	(1.78)
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2021	2.83	47.88	57.34	108.05

(iii) Non - Government

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Non - Government lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	1.53	-	3,140.62	3,142.15
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.99	-	180.57	181.56
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	241.50	241.50
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2020	0.55	-	2,718.54	2,719.09
Gross carrying amount as at 31st March, 2020	0.55	-	2,718.54	2,719.09
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.55	-	29.90	30.45
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	204.86	204.86
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	-	-	2,483.78	2,483.78

NOTE 10 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	0.02	-	2,786.35	2,786.37
High grade	-	-	-	-
New assets originated or purchased	-	-	174.68	174.68
Assets derecognised or repaid(excluding write offs)	-	-	102.26	102.26
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	172.38	172.38
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	0.02	-	2,686.39	2,686.41
ECL allowance as at 31st March, 2020	0.02	-	2,686.39	2,686.41
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.02	-	29.47	29.49
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	204.86	204.86
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	-	-	2,452.06	2,452.06

(iv) Retail

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	519.11	3.29	20.30	542.70
High grade	-	-	-	-
New assets originated or purchased	15.08	0.41	-	15.49
Assets derecognised or repaid(excluding write offs)	250.06	0.85	1.17	252.08
Transfers from Stage 1	(3.00)	2.80	0.20	-
Transfers from Stage 2	1.33	(1.86)	0.53	-
Transfers from Stage 3	0.75	0.07	(0.82)	-
As at 31st March, 2020	283.21	3.86	19.04	306.11
Gross carrying amount as at 31st March, 2020	283.21	3.86	19.04	306.11
High grade	-	-	-	-
New assets originated or purchased	12.69	-	-	12.69
Assets derecognised or repaid(excluding write offs)	36.82	0.68	0.99	38.49
Transfers from Stage 1	(6.96)	6.27	0.69	-
Transfers from Stage 2	1.72	(2.10)	0.38	-
Transfers from Stage 3	0.31	0.05	(0.36)	-
Gross carrying amount as at 31st March, 2021	254.15	7.40	18.76	280.31

NOTE 10 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	1.09	0.06	20.27	21.42
High Grade	-	-	-	-
New Assets originated or purchased	0.04	-	-	0.04
Assests derecognised or repaid (excluding write offs)	0.86	0.01	1.16	2.03
Transfer from Stage 1	(0.01)	0.04	0.21	0.24
Transfer from Stage 2	0.02	(0.04)	0.54	0.52
Transfer from Stage 3	-	-	(0.82)	(0.82)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2020	0.28	0.05	19.04	19.37
ECL allowance as at 31st March, 2020	0.28	0.05	19.04	19.37
High Grade	-	-	-	-
New Assets originated or purchased	0.04	0.02	-	0.06
Assests derecognised or repaid (excluding write offs)	0.11	0.01	0.99	1.11
Transfer from Stage 1	(0.01)	0.14	0.69	0.82
Transfer from Stage 2	0.01	(0.03)	0.38	0.36
Transfer from Stage 3	0.01	-	(0.36)	(0.35)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2021	0.22	0.17	18.76	19.15

NOTE: 10(a)(3) Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- The Company's definition and assessment of default and cure.
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default.
- When the Company considers there has been a significant increase in credit risk of an exposure.
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis.
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets.

NOTE: 10(a)(4)(i) Definition of default

The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes 90 days past due on its contractual payments.

NOTE: 10(a)(4)(ii) Probability of default

The 12 month probability of default is calculated using incremental NPA approach.

NOTE: 10(a)(4)(iii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the

NOTE 10 : (Contd.)

12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

NOTE: 10(a)(4)(iv) Loss given default

The Company segments its lending products into smaller homogeneous portfolios (Government - Housing, Government - Urban Infrastructure, Non Government and Retail), based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type) as well as borrower characteristics.

NOTE: 10(a)(4)(v) Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

NOTE: 10(a)(4)(vi) Grouping financial assets measured on a collective basis

As explained in Note 4.17, the Company calculates ECLs on collective or individual basis .

The Company calculates ECLs on collective basis on following asset classes:

- Government - Housing
- Government - Urban Infrastructure
- Non Government
- Retail

The Company calculates ECLs on individual basis on all Stage 3 assets of Non Government portfolio.

₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021					As at 31 st March, 2020								
		Amortised Cost	At fair value			Subtotal	Others	Total	Amortised Cost	At fair value			Subtotal	Others	Total
			Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss					Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
		(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)	(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)
A															
1	Mutual funds														
(i)	IIFCL Assets Management Company Limited (IAMCL)*	-	-	68.82	-	68.82	-	68.82	-	-	66.18	-	66.18	-	66.18
2	Government Securities														
(i)	Investment in Treasury Bill **	7.59	-	-	-	7.59	-	7.59	-	-	-	-	-	-	-
3	Debt Securities														
(i)	74546004 Optionally Convertible Debentures Series A @ 0.01% of RKM Powergen Pvt. Ltd. (Face Value ₹ 100/-) #	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii)	2228385 Optionally Convertible Debentures Series Ai @ 0.01% of RKM Powergen Pvt. Ltd. (Face Value ₹ 100/-) #	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Equity Instruments														
(i)	1,00,000 equity shares of Sri KPR Industries Limited	-	-	0.11	-	0.11	-	0.11	-	-	0.10	-	0.10	-	0.10
(ii)	20,000 equity shares of TN Urban Finance Infrastructure Dev. Corporation. Ltd.	-	-	1.30	-	1.30	-	1.30	-	-	1.20	-	1.20	-	1.20
(iii)	17,00,000 equity shares of Cent Bank Home Finance Ltd.	-	-	7.82	-	7.82	-	7.82	-	-	7.14	-	7.14	-	7.14
(iv)	1,00,000 equity shares of Intra Consolid (India) Limited @	-	-	0.10	-	0.10	-	0.10	-	-	0.10	-	0.10	-	0.10
(v)	1,00,000 equity shares of Nagarjuna Ceramics Ltd. *** @	-	-	0.10	-	0.10	-	0.10	-	-	0.10	-	0.10	-	0.10
(vi)	1,00,000 equity shares of Marlite Polycast Ltd. @	-	-	0.10	-	0.10	-	0.10	-	-	0.10	-	0.10	-	0.10
(vii)	1,00,000 equity shares of Periwal Bricks Ltd. @	-	-	0.10	-	0.10	-	0.10	-	-	0.10	-	0.10	-	0.10
(viii)	71,900 equity shares of Trans Fibre Pipes (I) Ltd. @	-	-	0.07	-	0.07	-	0.07	-	-	0.07	-	0.07	-	0.07
(ix)	1,25,68,829 equity shares of Cochin International Airport Ltd. (including 25,68,829 Right Issue of Cochin International Airport Ltd.- Shares of Rs.10/- each at premium of Rs.40/- per share) FV Rs. 10/- per share	-	-	40.85	-	40.85	-	40.85	-	-	41.48	-	41.48	-	41.48

NOTE 11 : (Contd.)

S. No.	PARTICULARS	As at 31 st March, 2021						As at 31 st March, 2020							
		Amortised Cost	At fair value			Subtotal	Others	Total	Amortised Cost	At fair value			Subtotal	Others	Total
			Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss					Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
		(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)	(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)
(x)	1,99,00,000 equity shares of National Industrial Corridor Development Corporation Limited (Earlier DMIDC)	-	-	122.38	-	122.38	-	122.38	-	-	-	-	115.42	-	115.42
(xi)	38675278 Equity Shares of R.K.M Powergen Private Limited #	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Associates														
(i)	25,00,000 equity shares of Indbank Housing Limited	-	-	-	-	-	2.50	2.50	-	-	-	-	-	2.50	2.50
(ii)	1,30,000 equity shares of Pragati Social Infrastructure Development Ltd.	-	-	-	-	-	0.13	0.13	-	-	-	-	-	0.13	0.13
(iii)	20,00,000 equity shares of Shristi Urban Infrastructure Development Ltd.	-	-	-	-	-	2.00	2.00	-	-	-	-	-	2.00	2.00
(iv)	13,000 equity shares of Signa Infrastructure India Ltd.	-	-	-	-	-	0.01	0.01	-	-	-	-	-	0.01	0.01
	Total gross (A)	7.59	-	241.75	-	249.34	4.64	253.98	-	-	231.98	-	231.98	4.64	236.62
B	Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Investments in India	7.59	-	241.75	-	249.34	4.64	253.98	-	-	231.98	-	231.98	4.64	236.62
	Total gross (B)	7.59	-	241.75	-	249.34	4.64	253.98	-	-	231.98	-	231.98	4.64	236.62
	Total (A) to tally with (B)	7.59	-	241.75	-	249.34	4.64	253.98	-	-	231.98	-	231.98	4.64	236.62
C	Less: Allowance for Impairment loss (C)														
(i)	Equity Instruments @	-	-	0.47	-	0.47	-	0.47	-	-	0.47	-	0.47	-	0.47
(ii)	Associate	-	-	-	-	-	2.64	2.64	-	-	-	-	-	2.64	2.64
D	Total Net D = (A) -(C)	7.59	-	241.28	-	248.87	2.00	250.87	-	-	231.51	-	231.51	2.00	233.51

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

** Treasury Bills are maintained as per the requirement of Section 29 B of National Housing Bank Act, 1987.

*** Share Certificates sent for correction but not received back. HUDCO has filled complaint against the Company with Registrar of Companies, Andhra Pradesh on 02.07.1998.

@ The fair value of these investments are ₹1. The investments and impairment thereon have been shown at Gross Value.

These investment have been booked at ₹1 as per the MDRA executed between the consortium of lenders (Refer point no. 7 of Explanatory note 40)

NOTE 12 : OTHER FINANCIAL ASSETS

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Advances		
(i)	Deposit for Services	0.58	0.58
	Sub-total (A)	0.58	0.58
B	Recoverables		
(i)	Recoverable from Andrewsganj Project (AGP)	460.11	429.49
(ii)	Advances for works *	14.06	14.06
(iii)	Amount recoverable for Income Tax Department	7.85	7.84
(iv)	Amount receivable on Redemption of Investment	-	226.59
(v)	Work-in-progress		
	-Andrewsganj Project	19.34	19.34
	Sub-total (B)	501.36	697.32
	Total (A+B)	501.94	697.90

* Includes amount on account of Andrewsganj Project (Refer S. No. 3 of Note 40- Explanatory Note). 13.97 13.97

NOTE 13: CURRENT TAX ASSETS/(LIABILITIES)

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
(i)	Advance Income Tax (Including TDS)	419.59	456.99
(ii)	Less: Provision for Income Tax	428.00	455.00
	Current Tax Assets/(Liabilities)	(8.41)	1.99

NOTE 14 A : INVESTMENT PROPERTY

(₹ in crore)

S. No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION						NET BLOCK	
		At cost or fair value at the beginning of the year	Addition during the year	Adjustments during the year	At cost or fair value at the end of the year	Accumulated Depreciation and impairment as at the beginning of the year	Addition during the year	Adjustments during the year	Accumulated Depreciation and impairment as at the end of the year	Addition during the year	Adjustments during the year	Net carrying amount as at the end of the year	Net carrying amount as at the end of the year
		as at 1 st April, 2019	as at 31 st March, 2020	Addition	Deduction	as at 1 st April, 2019	Addition	Deduction	as at 31 st March, 2020	Addition	Deduction	as at 31 st March, 2021	as at 31 st March, 2020
(i)	Building (Freehold)	8.08	-	-	-	8.08	5.26	0.13	5.39	0.13	-	5.52	2.69
(ii)	Building (Leasehold)	35.11	-	-	-	35.11	19.46	0.72	20.18	0.68	-	20.86	14.93
(iii)	Flat (Freehold)	6.26	-	-	-	6.26	4.54	0.08	4.62	0.08	-	4.70	1.64
(iv)	Flat (Leasehold)	0.11	-	-	-	0.11	0.09	-	0.09	-	0.45	0.54	0.02
	Total	49.56	-	-	-	50.24	29.35	0.93	30.28	0.89	0.45	31.62	19.28

The Company's investment properties consist of building and flats situated in India. The management has determined that the investment properties consist of office and residences based on the nature, characteristics and risk of each property. As at 31st March 2021, the fair values of the properties are ₹ 753.94 crore (Previous year ₹ 495.36 crore). These valuations are based on valuations performed by the independent valuer. The rental income from investment property during 2020-21 is ₹ 40.60 crore (Previous year ₹ 35.54 crore).

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. Fair value hierarchy disclosures for investment properties have been provided in Note 36.3 of Notes to accounts.

S.No.	Investment properties	Valuation technique	Range (weighted average)	Fair Value (₹ in crore)
1	Jaipur (Jyoti Nagar, Lal Kothi)	Rental method	8.00%	7.12
2	Chennai (CMDA Tower)	Composite Rate Method	8.00%	40.30
3	Bhopal (Parayavas Bhavan)	Composite Rate Method	-	14.21
4	Mumbai (Shreyas Chambers)	Income Approach	-	23.46
5	Bhubaneshwar (Deendayal Bhawan)	Market Approach	4.56%	4.98
6	Jammu (Hudco Bhawan, Rail Head Complex)	Income Approach	9.00%	10.57
7	Ahmedabad (Trupti Apartments)	Market Approach	-	1.46
8	Mumbai (Oshiwara Flats)	Market Approach	-	5.56
9	Bhikaji Cama Place, Delhi	Income Approach	6.00%	646.28
	Total			753.94

NOTE 14 B : PROPERTY, PLANT AND EQUIPMENT

S.No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION				Adjustments		Accumulated Depreciation and impairment as at the end of the year	NET BLOCK	
		At cost or fair value at the beginning of the year	Addition during the year	Adjustments during the year	At cost or fair value at the end of the year	Addition during the year	Adjustments during the year	Accumulated Depreciation and impairment as at the end of the year	At cost or fair value at the end of the year	Addition during the year	Deduction during the year	as at 31 st March, 2021	Net carrying amount as at the end of the year	Net carrying amount as at 31 st March, 2020
A	TANGIBLE	(i) Land (Freehold)	5.93	-	-	-	-	-	-	-	-	-	5.93	5.93
		(ii) Land (Leasehold) * #	12.41	-	-	-	-	-	-	-	-	-	7.20	7.32
		(iii) Building (Freehold)	6.54	-	-	-	-	-	-	-	-	-	2.72	2.86
		(iv) Building (Leasehold) #	49.60	-	-	-	-	-	-	-	-	-	36.06	19.01
		(v) Flat (Freehold) #	6.56	-	-	-	-	-	-	-	-	-	2.20	2.31
		(vi) Flat (Leasehold) #	6.20	-	-	-	-	-	-	-	-	-	3.35	2.17
		(vii) Air conditioner & Cooler	2.56	-	-	-	-	-	-	-	-	-	0.42	0.48
		(viii) Office Equipments	23.85	-	-	-	-	-	-	-	-	-	22.55	3.85
		(ix) Furniture & Fixtures	5.90	-	-	-	-	-	-	-	-	-	5.23	1.36
		(x) Vehicle	1.83	-	-	-	-	-	-	-	-	-	1.47	0.68
		(xi) Library Books	1.01	-	-	-	-	-	-	-	-	-	1.03	0.01
		(xii) Miscellaneous Assets	3.85	-	-	-	-	-	-	-	-	-	3.97	-
		Total A	126.24	2.36	0.12	4.11	124.61	4.21	19.34	2.07	0.03	1.59	83.51	45.28
B	Less : Grants	(i) Building	-	-	-	-	-	-	-	-	-	-	-	-
		(ii) Air Conditioner	-	-	-	-	-	-	-	-	-	-	-	-
		(iii) Office Equipment	0.07	-	-	-	0.07	-	-	-	-	-	0.01	0.01
		(iv) Furniture & Fixture	-	-	-	-	-	-	-	-	-	-	-	-
		(v) Vehicle	-	-	-	-	-	-	-	-	-	-	-	-
		(vi) Library Books	-	-	-	-	-	-	-	-	-	-	-	-
		(vii) Miscellaneous Assets	0.01	-	-	-	0.01	-	-	-	-	-	-	-
	Total B	0.08	-	-	-	0.08	0.08	0.07	-	-	-	-	0.01	0.01
	Total A-B	126.16	2.36	0.12	4.11	124.53	4.21	19.34	2.07	0.03	1.59	83.51	83.51	45.27

* 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) are yet to be executed.

NOTE 14 C : CAPITAL WORK-IN-PROGRESS

S.No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION				Adjustments		Accumulated Depreciation and impairment as at the end of the year	NET BLOCK	
		At cost or fair value at the beginning of the year	Addition during the year	Adjustments during the year	At cost or fair value at the end of the year	Addition during the year	Adjustments during the year	Accumulated Depreciation and impairment as at the end of the year	At cost or fair value at the end of the year	Addition during the year	Deduction during the year	as at 31 st March, 2021	Net carrying amount as at the end of the year	Net carrying amount as at 31 st March, 2020
	Capital Work In progress	38.59	13.10	-	-	-	-	-	-	-	-	-	17.49	51.56
	Total	38.59	13.10	-	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	17.49	51.56

NOTE 14 D : INTANGIBLE ASSETS UNDER DEVELOPMENT

S.No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		At cost or fair value at the beginning of the year	Addition during the year	Adjustments	At cost or fair value at the end of the year	Addition during the year	Accumulated Depreciation and impairment as at the beginning of the year	Addition during the year	Adjustments	Accumulated Depreciation and impairment as at the end of the period	Net carrying amount as at the end of the year
		as at 1 st April, 2019			as at 31 st March, 2020					as at 31 st March, 2021	as at 31 st March, 2020
	Intangible Assets under Development	-	-	-	-	21.15	-	-	-	-	21.15
	Total	-	-	-	-	21.15	-	-	-	-	21.15

NOTE 14 E : OTHER INTANGIBLE ASSETS

S.No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		At cost or fair value at the beginning of the year	Addition during the year	Adjustments	At cost or fair value at the end of the year	Addition during the year	Accumulated Depreciation and impairment as at the beginning of the year	Addition during the year	Adjustments	Accumulated Depreciation and impairment as at the end of the period	Net carrying amount as at the end of the year
		as at 1 st April, 2019			as at 31 st March, 2020					as at 31 st March, 2021	as at 31 st March, 2020
(i)	INTANGIBLE Software	2.35	-	-	2.35	0.18	1.94	0.13	-	2.07	0.31
	Total	2.35	-	-	2.35	0.18	1.94	0.13	-	2.20	0.31

NOTE 15 : OTHER NON FINANCIAL ASSETS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Advances		
(a)	Advance against Capital purchases	0.62	0.62
(b)	Advance against CSR Expenditure	4.96	3.25
(c)	Prepaid Expenses	14.38	11.71
(d)	Unamortized Deposit for Services	0.06	0.07
B	Other loans and advances		
(a)	Advances to Employees	15.05	44.09
(b)	Advance to Gratuity Fund	1.17	-
(c)	Income Tax payment	301.70	295.34
(d)	Service Tax payment under litigation	2.63	2.63
(e)	Less : Provision on Service tax	2.49	2.49
		0.14	0.14
(f)	Others	18.17	19.73
(g)	Less : Provision	1.93	1.55
		16.24	18.18
	Total	354.32	373.40

NOTE 16 : PAYABLES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Trade Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises *	-	-
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.10	0.11
	Sub-total (A)	0.10	0.11
B	Other Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises *	0.39	0.09
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	11.73	17.39
	Sub-total (B)	12.12	17.48
	Total (A + B)	12.22	17.59

* The outstanding payable to MSME consists of principal amount and interest due on principal amount remaining unpaid to any MSME supplier beyond the scheduled date of payment. However, for the Year Ended 31st March, 2021, the interest due on principal amount remaining unpaid to MSME is Nil (Previous Year Nil) (Refer S.No. 16 of Note 40- Explanatory Note)

NOTE 17 : DEBT SECURITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
(A) I	BONDS								
(a)	Secured								
(i)	Tax free bonds [Refer Details of Debt Securities - (A) (i)]	17,339.64	-	-	17,339.64	17,333.51	-	-	17,333.51
(ii)	Special priority sector bonds - I [Refer Details of Debt Securities - (A) (ii)]	12.40	-	-	12.40	20.10	-	-	20.10
	Sub-total A I (a) {(i) + (ii)}	17,352.04	-	-	17,352.04	17,353.61	-	-	17,353.61
(b)	Unsecured								
(i)	HUDCO Bonds - Non Cumulative redeemable at par [Refer Details of Debt Securities - (B) (i(a))]	18,503.48	-	-	18,503.48	14,719.46	-	-	14,719.46
(ii)	HUDCO Bonds - Cumulative redeemable at par [Refer Details of Debt Securities - (B) (i(b))]	675.04	-	-	675.04	674.78	-	-	674.78
(iii)	Special priority sector bonds - II [Refer Details of Debt Securities - (B) (i(c))]	26.99	-	-	26.99	43.64	-	-	43.64
(iv)	GOI Bonds [Refer Details of Debt Securities - (B) (i(d))]	20,000.00	-	-	20,000.00	20,000.00	-	-	20,000.00
	Sub-total A I (b) {(i) + (ii) + (iii) + (iv)}	39,205.51	-	-	39,205.51	35,437.88	-	-	35,437.88
(A) II	COMMERCIAL PAPER								
	Unsecured								
(i)	5.60% HUDCO Commercial Paper Bonds 2019 Series -E (Value Date 29.01.2020 and Maturity Date 29.05.2020 for 121 days)	-	-	-	-	1,200.00	-	-	1,200.00
(ii)	4.34% HUDCO Commercial Paper Bonds 2020 Series -A (Value Date 16.06.2020 and Maturity Date 16.06.2021 for 365 days)	1,500.00	-	-	1,500.00	-	-	-	-
	Sub-total A II {(i) + (ii)}	1,500.00	-	-	1,500.00	1,200.00	-	-	1,200.00
	Total (A I + A II)	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49
(B)	Debt securities in India	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49
	Debt securities outside India	-	-	-	-	-	-	-	-
	Sub-total B	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49
	Total (B) to tally with (A)	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49

Note: The Company has only "Amortized cost category" to present this schedule.

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	SECURED BONDS		
I (a)	TAX FREE BONDS		
	8.71% Tax free bonds 2013 (Tranche - III) Series - 3A *	8.76	8.76
	8.96% Tax free bonds 2013 (Tranche - III) Series - 3B *	41.54	41.54
	8.76% Tax free bonds 2013 (Tranche - II) Series - 3A *	286.54	286.54
	9.01% Tax free bonds 2013 (Tranche - II) Series - 3B *	671.16	671.16
	8.49% Tax free bonds 2013 (Tranche - I) Series - 3A *	35.51	35.51
	8.74% Tax free bonds 2013 (Tranche - I) Series - 3B *	88.85	88.85
	7.39% Tax free bonds 2015 (Tranche - II) Series - 2A ***	1,024.94	1,024.94
	7.69% Tax free bonds 2015 (Tranche - II) Series - 2B ***	610.05	610.05
	7.39% Tax free bonds 2015 (D) ***	211.50	211.50
	7.39% Tax free bonds 2015 (Tranche - I) Series - 2A ***	909.69	909.69
	7.64% Tax free bonds 2015 (Tranche - I) Series - 2B ***	556.15	556.15
	8.73% Tax free bonds 2013 (Tranche - III) Series - 2A *	28.47	28.47
	8.98% Tax free bonds 2013 (Tranche - III) Series - 2B *	128.42	128.42
	8.58% Tax free bonds 2013 (Tranche - II) Series - 2A *	127.39	127.39
	8.83% Tax free bonds 2013 (Tranche - II) Series - 2B *	123.75	123.75
	8.51% Tax free bonds 2013 (Tranche - I) Series - 2A *	799.27	799.27
	8.76% Tax free bonds 2013 (Tranche - I) Series - 2B *	815.00	815.00
	8.56% Tax free bonds 2013 Series - 1 *	190.80	190.80
	7.19% Tax free bonds 2012 (Tranche - II) Series - 2 *	109.39	109.39
	7.51% Tax free bonds 2012 (Tranche - I) Series - 2 *	1,274.24	1,274.24
	8.20% Tax free bonds 2011 (Tranche - I) Series - 2 *	2,518.30	2,518.30
	8.16% Tax free bonds 2011 (C - II) *	47.67	47.67
	7.83% Tax free bonds 2011 (B - II) *	66.51	66.51
	7.75% Tax free bonds 2011 (A - II) *	10.81	10.81
	7.04% Tax free bonds 2015 (Tranche - II) Series - 1A ***	48.16	48.16
	7.29% Tax free bonds 2015 (Tranche - II) Series - 1B ***	105.35	105.35

NOTE 17 : Contd.)

		(₹ in crore)	
S. No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
	7.02% Tax free bonds 2015 (Tranche - I) Series - 1A ***	117.21	117.21
	7.27% Tax free bonds 2015 (Tranche - I) Series - 1B ***	128.45	128.45
	7.00% Tax free bonds 2015 (C) **	108.50	108.50
	7.07% Tax free bonds 2015 (B) **	1,029.00	1,029.00
	7.19% Tax free bonds 2015 (A) **	151.00	151.00
	8.29% Tax free bonds 2013 (Tranche - III) Series - 1A *	18.37	18.37
	8.54% Tax free bonds 2013 (Tranche - III) Series - 1B *	47.36	47.36
	8.51% Tax free bonds 2013 (Tranche - II) Series - 1A *	504.93	504.93
	8.76% Tax free bonds 2013 (Tranche - II) Series - 1B *	439.63	439.63
	8.14% Tax free bonds 2013 (Tranche - I) Series - 1A *	269.58	269.58
	8.39% Tax free bonds 2013 (Tranche - I) Series - 1B *	361.79	361.79
	7.03% Tax free bonds 2012 (Tranche - II) Series - 1 *	97.62	97.62
	7.34% Tax free bonds 2012 (Tranche - I) Series - 1 *	920.10	920.10
	8.10% Tax free bonds 2011 (Tranche - I) Series - 1 *	2,166.42	2,166.42
	8.09% Tax free bonds 2011 (C - I) *	47.86	47.86
	7.62% Tax free bonds 2011 (B - I) *	137.66	137.66
	7.51% Tax free bonds 2011 (A - I) *	4.77	4.77
(b)	Unamortised fees, charges & Other Expenses	17,388.47	17,388.47
	Sub-Total A - I (a)	(48.83)	(54.96)
	Sub-Total A - I	17,339.64	17,333.51
*	The bonds are secured by a floating first pari-passu charge on the present & future receivables of the Company to the extent of amount mobilised under the issue. However, the Company reserves the right to create first pari-passu charge on the present and future receivable for its present and future financial requirements.		
**	The bonds are secured by a first pari-passu charge on the present & future receivables of the Company to the extent of amount mobilised under the issue. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.		
***	The bonds are secured by a first pari-passu charge on the present & future receivables of the Company to the extent of the amount mobilised under the issue and interest thereon. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.		
II	SPECIAL PRIORITY SECTOR BONDS - I		
(a)	SPS Bond series C (Bank of India)	12.40	20.10
	[Refer Sub Details I (a) (i) of Special Priority Sector Bonds]		
	Sub-total A - II (a)	12.40	20.10

NOTE 17 : (Contd.)

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
	The repayment dates for SPS bonds series C is semi annual: for series C from 10.12.2015 to 10.06.2022. Bonds are secured by lien over Certificate of Deposits for US \$ 2.49 million (Previous year US \$ 4.03 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	UNSECURED BONDS		
I (a)	HUDCO Bonds- Non Cumulative redeemable at par	Date of Allotment	Date of redemption
	4.78% Taxable (F) 2020	28.12.2020	28.02.2024
	5.35% Taxable (E) 2020	04.08.2020	11.04.2025
	6.75% Taxable (D) 2020	29.05.2020	29.05.2030
	5.95% Taxable (C) 2020	12.05.2020	11.08.2023
	6.09% Taxable (B) 2020	24.04.2020	24.06.2023
	6.65% Taxable (A) 2020	15.04.2020	15.06.2023
	6.79% Taxable (F) 2019	17.01.2020	14.04.2023
	6.99% Taxable (E) 2019	11.09.2019	11.11.2022
	7.05% Taxable (D) 2019	13.08.2019	13.10.2022
	7.34% Taxable (C) 2019	18.07.2019	16.09.2022
	7.62% Taxable (B) 2019	20.06.2019	15.07.2022
	8.34% Taxable (E) 2018	11.01.2019	11.07.2022
	7.61% Taxable (A) 2019	07.06.2019	22.06.2022
	8.23% Taxable (D) 2018	28.12.2018	15.04.2022
	8.40% Taxable (C) 2018	11.12.2018	11.04.2022
	8.46% Taxable (B) 2018	05.12.2018	15.02.2022
	7.63% Taxable (A) 2018	03.04.2018	03.05.2021
	7.68% Taxable (G) 2017	27.03.2018	05.04.2021
	7.14% Taxable (B) 2017	22.11.2017	22.12.2020
	7.05% Taxable (A) 2017	14.07.2017	14.08.2020
	7.59% Taxable (G) 2016	21.03.2017	21.06.2020
	6.80% Taxable (E) 2016	18.11.2016	18.05.2020
	7.21% Taxable (D) 2016	25.10.2016	25.04.2020
	Sub-total		
	Unamortised fees, charges & Other Expenses		18,515.00
	Total Non cumulative Bonds		14,730.00
			(11.52)
			18,503.48
I (b)	HUDCO Bonds- Cumulative redeemable at par		
	7.73% Taxable (D) 2017		
	Unamortised fees, charges & Other Expenses	21.02.2018	15.04.2021
	Total Cumulative Bonds		675.00
			0.04
			675.04
			674.78

NOTE 17 : (Contd.)

(₹ in crore)

S. No.	PARTICULARS			As at 31 st March, 2021	As at 31 st March, 2020
I (c)	Special Priority Sector Bonds - II SPS Bonds - II (Exim Bank) {Refer Sub detail II (a)(ii) of SPS Bonds}	Date of Allotment 06.12.1999		26.99	43.64
	Total B - I (c)			26.99	43.64
	In lieu of the USD deposit of USD 50 million (outstanding USD 6.22 million as on 31.03.2021) with Exim Bank under the swap arrangement in respect of ADB loan, Exim Bank has subscribed to 12.75% Special Priority Sector Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 15.12.2020) for ₹ 217 crore (outstanding ₹ 26.99 crore as on 31.03.2021), which are co-terminus with the loan maturity schedule of the underlying ADB loan, from 15.12.2002 to 15.06.2022.				
I (d)	PMAY (U) GOI Fully Serviced Bonds #	Date of Allotment	Date of redemption		
	8.37% Taxable (VI) 2018 @	25.03.2019	25.03.2029	5,000.00	5,000.00
	8.41% Taxable (V) 2018 @	15.03.2019	15.03.2029	5,320.00	5,320.00
	8.58% Taxable (IV) 2018 @	14.02.2019	14.02.2029	2,563.10	2,563.10
	8.38% Taxable (III) 2018 @	30.01.2019	30.01.2029	2,066.90	2,066.90
	8.52% Taxable (II) 2018 @	28.11.2018	28.11.2028	2,050.00	2,050.00
	8.60% Taxable (I) 2018 @	12.11.2018	12.11.2028	3,000.00	3,000.00
	Sub-total Gol Bonds			20,000.00	20,000.00
	Unamortised fees, charges & Other Expenses			-	-
	Total Gol Bonds			20,000.00	20,000.00
@ #	Interest payable on semi-annual basis. Repayment of Principal & Interest payment in respect of Loans of ₹ 20,000 crore extended to BMTPC, raised by issue of Government of India fully serviced Bonds shall be met by Government of India by making suitable provisions in the budget of Ministry of Housing and Urban Affairs.				

Sub- Details of Special Priority Sector Bonds

(₹ 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 31.03.2021	Frequency of repayment	Redemption Details
(a)	Secured Bonds						
(i)	SPECIAL PRIORITY SECTOR BONDS- I						
	SPS Bond Series C (Bank of India) 31.03.1998	12.00%	84	4.20	@ 1 year G.Sec. + 350 bps p.a. Currently the ROI is 7.23% p.a.	Semi-Annual	10 th June, 2022
	SPS Bond Series C (Bank of India) 31.03.1998	12.00%	84	4.20			10 th December, 2021
	SPS Bond Series C (Bank of India) 31.03.1998	12.00%	80	4.00			10 th June, 2021
	Total Special Priority Sector Bonds - I			12.40			
(a)	Unsecured Bonds						
(ii)	SPECIAL PRIORITY SECTOR BONDS - II						
	SPS Bond Series II (EXIM Bank) 06.12.1999	12.75%	927	9.27	12.50%	Semi-Annual	15 th June, 2022
	SPS Bond Series II (EXIM Bank) 06.12.1999	12.75%	900	9.00			15 th December, 2021
	SPS Bond Series II (EXIM Bank) 06.12.1999	12.75%	872	8.72			15 th June, 2021
	Total Special Priority Sector Bonds - II			26.99			

NOTE 18 : BORROWINGS (OTHER THAN DEBT SECURITIES)

S.No.	PARTICULARS	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Term loans								
	I Secured								
	From Banks								
	(a) Bank of India * {Refer Sub-detail of borrowings (A) (i)}	18.64	-	-	18.64	30.15	-	-	30.15
	From other parties								
(b)	National Housing Bank **	1,346.00	-	-	1,346.00	2,788.64	-	-	2,788.64
	{Refer Sub-detail of borrowings (A) (ii)}								
	Total Secured Loan A-I	1,364.64	-	-	1,364.64	2,818.79	-	-	2,818.79
II	Unsecured								
	From Banks								
	(a) 6.50% p.a. from Karnataka Bank (ST) (repayable on or before 17.06.2020)	-	-	-	-	500.00	-	-	500.00
	(ii) 6.75% p.a. from Federal Bank Ltd. (ST) (repayable on or before 18.04.2020)	-	-	-	-	499.96	-	-	499.96
	(iii) 6.75% p.a. from Bank of India (ST) (repayable on or before 31.03.2021)	-	-	-	-	1,120.04	-	-	1,120.04
(iv)	6.75% p.a. from Punjab National Bank (ST) (repayable on or before 22.03.2021)	-	-	-	-	700.00	-	-	700.00
(b)	From Other Parties								
(i)	LOANS FROM FINANCIAL INSTITUTIONS :								
(ii)	India Infrastructure Finance Company Ltd. \$\$	1,294.00	-	-	1,294.00	1,294.00	-	-	1,294.00
	US Capital Market *(Guaranteed by USAID & Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan) {Refer Sub-detail of borrowings (B) I iii (a) and (b)}								
(a)	USAID II								
	6 months LIBOR for US \$ + 0.035% p.a. (USAID-2)								
	Swapped with ICICI Bank #	11.02	-	-	11.02	18.85	-	-	18.85
(b)	Unswapped Portion	58.83	-	-	58.83	60.13	-	-	60.13
(b)	USAID I								
	6 months LIBOR for US \$ + 0.18% p.a.(USAID-1) ##	18.60	-	-	18.60	20.72	-	-	20.72

(₹ in crore)

NOTE 18 : (Contd.)

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(iii)	Japan Bank for International Corporation (JBIC) ### {Refer Sub-detail of borrowings - (B) I (i)} Unswapped Portion of JBIC								
		58.52	-	-	58.52	91.73	-	-	91.73
(iv)	Asian Development Bank (ADB) ### ^ {Refer Sub-detail of borrowings (B) I (ii)} 6 months LIBOR for US \$ +0.40% p.a.	92.03	-	-	92.03	152.44	-	-	152.44
		1,533.00			1,533.00	4,457.86			4,457.86
	Total Unsecured Loans A- II	2,897.64	-	-	2,897.64	7,276.65	-	-	7,276.65
	Total (A)	2,658.64	-	-	2,658.64	6,932.79	-	-	6,932.79
B	Borrowings in India	239.00	-	-	239.00	343.86	-	-	343.86
	Borrowings outside India	2,897.64	-	-	2,897.64	7,276.65	-	-	7,276.65
	Total (B) to tally with (A)	2,897.64	-	-	2,897.64	7,276.65	-	-	7,276.65

Note: The Company has only amortised cost category to present this schedule.

* Secured by lien over Certificate of Deposits for US \$ 3.73 million (Previous year US \$ 6.04 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)

** Secured by Bank guarantee for an amount of ₹ 600 crore (previous year ₹ 1,175.00 crore) [being 25% of loan amount of ₹ 2,400 crore (previous year ₹ 4,700 crore) sanctioned/disbursed 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.

\$\$ ₹ 1,294 crore availed on 19.03.2020 @6.57% p.a. (Fixed) payable quarterly, for a period of 3 years i.e. repayable on 19.03.2023 by way of bullet repayment.

Principal only Swap for US \$ 4.50 million (Outstanding US \$ 1.50 million as on 31.03.2021) with ICICI Bank was executed on 16.07.2018 effective from 18.07.2018 (for 4.5 years upto 14.09.2022) at spot rate of ₹ 68.68 and swap premium of 4.2479%, payable semi-annually.

Under the swap arrangement with EXIM Bank, HUDCO has remitted US \$ 10 million to EXIM Bank against which EXIM Bank has subscribed to 12.75% HUDCO Special Infrastructure Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 23.09.2020) amounting to ₹ 43.60 crore which are co-terminus with the loan maturity schedule of the underlying USAID guaranteed loan.

Guaranteed by Cental Government as to the repayment of principal and interest.

^ HUDCO had availed a loan of US \$ 100 million from Asian Development Bank (ADB) (US \$ 50 million during the years 1997-98 and 1998-99 and the balance US \$ 50 million during 1999-2000). These loans are guaranteed by the Government of India and repayable in half yearly installments by June 2022.

^ These dollar funds were placed as deposits with Bank of India, Cayman Island Branch, USA (US \$ 50 million) and EXIM Bank (US \$ 50 million) in terms of agreements with these Banks. The deposits are co-terminus with the loan maturity schedule of the underlying ADB loan. In lieu of the USD deposit of US \$ 20 million, Bank of India has subscribed to 12.00% Special Priority Sector Bonds (I) for ₹ 100 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 350 bps, presently @ 7.23%), outstanding as on 31.03.2021, being ₹ 12.40 crore. Further, in lieu of USD deposit of US \$ 30 million, Bank of India has extended a loan of ₹ 150 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 340 bps, presently @ 7.13%), outstanding as on 31.03.2021, being ₹ 18.64 crore. Similarly, in lieu of the balance US \$ deposit of USD 50 million, Exim Bank has subscribed to 12.75% Special Priority Sector Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 15.12.2013) for ₹ 217 crore (₹ 26.99 crore as on 31.03.2021), which are co-terminus with the loan maturity schedule of the underlying ADB loan. Also refer Note 18(A)(I)(a), Note 17(A)(I)(a)(ii) and (A)(I)(b)(iii).

NOTE 18 : (Contd.)

Sub-Details of Borrowings

(₹ in crore)

S.No.	Institution/ Date of drawal	Rate on drawal	Amount Drawn	Amount Outstanding	Rate of Interest as on 31 st March, 2021	Frequency of repayment	Redemption Details
A Secured Loan							
I	Bank of India - 15.02.1999	12.50%	150.00	18.64	@ 1 year G-Sec + 340 bps p.a. Currently the ROI is 7.13% p.a	Semi-Annual (10 th June & 10 th Dec.)	Repayable from 10.06.2021 to 10.06.2022
	Total - Bank of India			18.64			
II	National Housing Bank - 28.06.2019 - 31.08.2017 - 30.06.2017 - 22.03.2017	4.68% 4.86% 4.86% 5.11%	400.00 500.00 500.00 1,000.00	295.00 320.38 141.02 589.60	4.68% 4.86% 4.86% 5.11%	Quarterly (1 st April, July, Oct. & Jan.)	1 st April, 2026 1 st July, 2027 1 st April, 2027 1 st Jan., 2027
	Total National Housing Bank			1,346.00			
B Unsecured Loan							
S.No.	Institution/ Date of drawal	Foreign Currency	Amount drawn (in foreign Currency amounts in Millions)	Amount Outstanding in INR (₹ in crore)	Rate of Interest as on 31.03.2021	Frequency of repayment	Redemption Details
I LOANS IN FOREIGN CURRENCY (NON CURRENT) :							
(i)	- Loan from JBIC						
	- 28.03.1997	JPY	1,157.16				
	- 27.03.1998	JPY	406.00				
	- 31.03.1999	JPY	944.65				
	- 22.06.1999	JPY	1,159.92				
	- 16.11.1999	JPY	241.34				
	- 17.03.2000	JPY	3,613.47				
	- 06.10.2000	JPY	67.60				
	- 10.11.2000	JPY	176.27				
	- 15.12.2000	JPY	295.15				
	- 27.02.2001	JPY	351.39				
	- 30.03.2001	JPY	257.05				
	Loan outstanding out of above		870.45	58.52	2.10% p.a. (fixed)	Semi-Annual	Repayable from 20.07.2021 to 20.07.2023
	Total JBIC			58.52			

NOTE 18 : (Contd.)

S.No.	Institution/ Date of drawal	Rate on drawal	Amount Drawn	Amount Outstanding	Rate of Interest as on 31 st March, 2021	Frequency of repayment	Redemption Details
(ii)	- Loan from Asian Development Bank - 31.12.1997 - 13.11.1998 Swapped US \$ outstanding Loan out of above with Bank of India - 06.12.1999 Swapped US \$ outstanding Loan out of above with EXIM Bank	US \$ US \$ US \$ US \$ US \$	20.00 30.00 6.22 50.00 6.22	46.32 45.71	@ 6M LIBOR for US \$ + 0.40% p.a. Currently the ROI is 0.64875% p.a.	Semi-Annual	Repayable from 15.06.2021 to 15.06.2022
	Total Asian Development Bank			92.03			
(iii)	- Loan from US Capital Market						
(a)	- USAID-1 - 24.09.1999 Swapped US \$ outstanding Loan out of above with EXIM Bank	US \$ US \$	10.00 4.25	18.60	12.50% p.a.	Semi-Annual	Repayable from 23.09.2021 to 23.09.2029
(b)	- USAID-2 - 28.09.2000 Swapped US \$ outstanding Loan out of above with ICICI Bank Unswapped US \$ outstanding Loan out of above	US \$ US \$ US \$	20.00 1.50 8.00	- 11.02 58.83	@ 6M Libor for US \$ + 0.035% p.a. Currently the ROI is 0.22775% p.a. in addition Principal only SWAP premium @ 4.2479%	Semi-Annual	Repayable from 15.09.2021 to 15.09.2030
	Total USAID			88.45			

NOTE 19 : DEPOSITS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Public Deposits @ 6.55% to 8.75% p.a. [Refer Details of Deposits - (I)]	22.77	-	-	22.77	168.47	-	-	168.47
	TOTAL (A)	22.77	-	-	22.77	168.47	-	-	168.47

Note : The Company has only "Amortised cost category" to present this schedule.

Details of Deposits

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	PUBLIC DEPOSITS (Current)		
(i)	@ 6.55% p.a. to 8.75% p.a. [Refer Sub Details of Deposits] Repayable within one year	18.79	145.07
	PUBLIC DEPOSITS (Non-Current)		
(ii)	@ 6.55% p.a. to 8.75% p.a. [Refer Sub Details of Deposits] Repayable over a period of two to seven years	3.98	23.40
	TOTAL A	22.77	168.47

Sub Details of Deposits

S.No.	Institution/ Date of drawal	Amount Outstanding in INR ₹ in crore	Redemption Details
A	Public Deposits repayable for more than 12 months		
	- April, 2024 - March, 2025	0.07	Repayable after period of one year
	- April, 2023 - March, 2024	1.64	
	- April, 2022 - March, 2023	2.28	
	Sub Total A	3.99	
B	Public Deposits repayable within 12 months		
	- October, 2021 to March, 2022	7.03	Repayable within one year
	- September, 2021	1.81	
	- August, 2021	2.37	
	- July, 2021	1.02	
	- June, 2021	2.54	
	- May, 2021	1.83	
	- April, 2021	2.19	
	Sub Total B	18.79	
	Total Public Deposits *	22.78	

* Ind-AS Adjustments in Total Public Deposits is for 0.01 crore. Brokerage has been amortised on SLM basis.

NOTE 20 : OTHER FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Interest accrued but not due		
(i)	Secured loans	313.81	314.98
(ii)	Unsecured loans	1,069.68	872.49
	Sub-total (A)	1,383.49	1,187.47
B	Others		
(i)	Security and other deposits	10.22	10.02
(ii)	Security, Earnest money and other deposits	5.43	6.08
(iii)	Unclaimed liability #		
(a)	-Dividend	0.63	0.48
(b)	-Bonds	0.50	0.50
(c)	-Public Deposits	0.33	0.62
(d)	-Interest accrued and due on Bonds	9.51	7.81
(e)	-Interest accrued and due on Public Deposits	0.03	0.11
(iv)	KfW R & D account	39.38	39.73
(v)	KfW Interest account	9.87	9.87
(vi)	Amount received from KfW	97.55	97.55
(vii)	Grant / Subsidy received from different Ministries/Agencies	4.75	4.66
(viii)	Amt payable to Ministry - BCP	1.26	1.24
(ix)	Amount Payable to Staff	89.59	91.50
(x)	Other Expenses on Borrowings Payable	0.02	0.02
(xi)	Interim Dividend Payable	15.30	-
(xii)	Others Liabilities *	61.46	181.76
	Sub-total (B)	345.83	451.95
	Total (A + B)	1,729.32	1,639.42
<p>* Includes ₹ 0.03 crore (Previous year ₹ 0.03 crore) on account of Andrews Ganj Project</p> <p># 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 ₹ 11.00 crore (Previous Year ₹ 9.52 crore) were due and unclaimed as on 31st March, 2021. During the year 2020-21 an amount of ₹ 0.13 crore (previous year 0.03 crore) has been transferred to IEPF after completion of statutory period of seven years. (Refer S.No. 15 of Note 40- Explanatory Notes)</p>			

NOTE 21 : PROVISIONS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Provision for employee benefits		
(i)	Leave encashment	44.05	41.96
(ii)	Post retirement medical benefit	171.43	158.21
(iii)	Welfare expenses	1.94	1.90
(iv)	Gratuity (Funded)	-	2.14
(v)	Provident Fund (Funded)	35.21	16.44
	Sub-total (A)	252.63	220.65
B	Others		
(i)	Provision for CSR	80.19	-
	Total (A+B)	332.82	220.65

NOTE 22 : DEFERRED TAX LIABILITY

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Deferred Tax Liabilities	1,407.94	1,237.35
B	Deferred Tax Assets	774.26	823.80
	Net Deferred Tax Liabilities (A - B)	633.68	413.55

Details of Deferred Tax

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
	Liabilities		
(a)	Derivative Financial Instruments	0.17	0.40
(b)	Investments	24.28	23.24
(c)	Investment Property, Plant and Equipment	3.76	3.93
(d)	Other Non-Financial Assets	3.20	-
(e)	Debt Securities	12.82	16.54
(f)	Deposits	-	0.04
(g)	Other Financial Liabilities	0.12	8.34
(h)	Other Non- Financial Liabilities	-	0.32
(i)	Other Equity	1,363.59	1,184.54
	Total Deferred Tax Liabilities	1,407.94	1,237.35
	Assets		
(a)	Loans	705.75	751.33
(b)	Receivable	4.60	4.24
(c)	Other Financial Assets	0.01	2.20
(d)	Other Non-Financial Assets	0.08	4.31
(e)	Borrowings	0.53	6.19
(f)	Provisions	63.29	55.53
	Total deferred Tax Assets	774.26	823.80
	Net Deferred Tax Liability	633.68	413.55

NOTE 23 : OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
(a)	Amount received in advance	8.73	1.16
(b)	Other Liabilities	63.04	50.40
(c)	Revenue received in advance	3.51	3.41
(d)	Unamortised Deferred Security Deposit	0.30	0.70
(e)	Finance Lease Liability	0.01	0.01
	Total	75.59	55.68

STATEMENT OF CHANGES IN EQUITY

NOTE 24: EQUITY SHARE CAPITAL

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Authorised 2,500,000,000 equity shares of ₹ 10/- each (previous year 2,500,000,000 equity shares of 10/- each)	2,500.00	2,500.00
B	Issued, Subscribed and Paid up 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash (previous year 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash)	2,001.90	2,001.90
		2,001.90	2,001.90

Note 24 (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 st March, 2021		As at 31 st March, 2020	
		Number of Shares	(₹ in crore)	Number of Shares	(₹ in crore)
(a)	Shares at the beginning of the year	2,00,19,00,000	2,001.90	2,00,19,00,000	2,001.90
(b)	Add: Shares issued during the year	-	-	-	-
(c)	Shares at the end of the year (c) = (a+b)	2,00,19,00,000	2,001.90	2,00,19,00,000	2,001.90

Note 24 (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 24 (c) Shares in the Company held by each shareholder holding more than 5 percent shares:

S.No.	Name of Shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
		Number of Shares	% of Holding	Number of shares held	% of Holding
1	The President of India through :				
	(a) Ministry of Housing and Urban Affairs	1,38,28,41,253	69.08	1,38,28,41,253	69.08
	(b) Ministry of Rural Development	41,50,00,000	20.73	41,50,00,000	20.73
	Sub Total 1 (a+b+c+d)	1,79,78,41,253.00	89.81	1,79,78,41,253.00	89.81
2	Others	20,40,58,747	10.19	20,40,58,747	10.19
	Total (1+2)	2,00,19,00,000.00	100.00	2,00,19,00,000.00	100.00

NOTE 25 : SCHEDULE OF CHANGE IN EQUITY : OTHER EQUITY

(₹ in crore)

S.No.	Particulars	Reserves and Surplus								Total
		Securi- ties Pre- mium (Bonds) *	Statutory Reserves			Other Reserves		Retained Earning General Reserve	Surplus	
			Deben- ture/Bond Redemp- tion Re- serve **	Special Reserve ***	Impair- ment Re- serve#	Capital (KfW) Reserve	Welfare Reserve			
1	Balance as on 01st April, 2019 Final Dividend for the year 2018-19 Dividend Distribution Tax on above. Profit during FY 2019-20 Other Comprehensive Income for the year 2019-20 Total Comprehensive Income for the year 2019-20 Transferred from Surplus to DRR Transferred from Surplus to Reserve for Bad & Doubtful Debt Transferred from Surplus to Special Reserve Use of Reserve for Bad & Doubtful Debts against Principal Waiver Interim Dividend during FY 2019-20 Dividend Distribution Tax on above	1.26	2,997.21	4,295.19	-	59.96	72.07	86.86	1,405.08 <	

NOTE 26 : INTEREST INCOME

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2021			Year Ended 31 st March, 2020		
		On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss
(i)	Interest on Loans	-	7,167.37	-	-	7,456.64	-
	Less: Interest waived off	-	0.22	-	-	0.74	-
	Net Interest on Loan - Sub Total (i)	-	7,167.15	-	-	7,455.90	-
(ii)	Interest Income from Investments	-	0.48	-	-	21.89	-
(iii)	Interest on Deposits with Banks	-	-	-	-	-	-
	- Scheduled Bank - Indian Branches	-	3.54	-	-	0.04	-
	- Scheduled Bank - Foreign Branches	-	0.75	-	-	2.42	-
	- Financial Institution - EXIM BANK	-	0.70	-	-	2.32	-
	Interest on Deposit Sub Total (iii)	-	4.99	-	-	4.78	-
(iv)	Interest on Loan against Public Deposits	-	-	-	-	-	-
(v)	Others - PPE Finance Lease Liability	-	-	-	-	-	-
	Total (i+ii+iii+iv+v)	-	7,172.62	-	-	7,482.57	-

Note : Includes interest income on loan of ₹ 20,000 crore extended to BMTPC, raised by issue of "GOI fully service bonds" as Central Assistance to State/UTs/CNAs for implementation of PMAY (U).

NOTE 27 : NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(₹ in crore)

S. No.	PARTICULARS	Year ended 31 st March, 2021	Year ended 31 st March, 2020
A	Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
(ii)	On financial instruments designated at fair value through profit or loss		
	- Investments	9.77	(5.53)
	- Derivatives	(0.95)	(13.68)
	Total A	8.82	(19.21)
B	Total Net gain/(loss) on fair value changes		
(i)	Fair Value changes:		
	-Realised	-	-
	-Unrealised	8.82	(19.21)
	Total Net gain/(loss) on fair value changes(B) to tally with (A)	8.82	(19.21)

Note: Fair value changes in this schedule are other than those arising on account of interest income/expenses.

NOTE 28 : OTHER INCOME

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021	Year ended 31 st March, 2020
(i)	Net gain/(loss) on derecognition of property, plant and equipment	-	0.01
(ii)	Net gain on foreign currency transaction and translation (other than finance cost)	4.94	-
(iii)	Interest on Staff Advances	4.53	4.28
(iv)	Interest on Income tax Refund	-	2.50
(v)	Interest on Construction Project	27.59	27.20
(vi)	Overhead Charges on Construction Project	0.04	0.07
(vii)	Management Development Programme	0.47	1.13
(viii)	Miscellaneous Income	5.28	4.23
(ix)	Excess Provision of Interest on short Income tax written back	0.30	0.10
	Total	43.15	39.52

NOTE 29 : FINANCE COSTS

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost
(i)	Interest on Debt Securities				
	a.) Secured	-	1,392.98	-	1,397.50
	b.) Unsecured	-	3,040.79	-	2,871.86
(ii)	Interest on borrowings (other than Debt Securities)				
	a.) Secured	-	94.76	-	186.09
	b.) Unsecured				
	Indian	-	219.48	-	353.30
	Foreign	-	8.22	-	14.88
(iii)	Interest on Deposits	-	7.96	-	18.88
(iv)	Interest on Income Tax	-	0.50	-	2.00
(v)	Net Loss in Foreign Currency Translation and Transaction	-	-	-	3.03
(vi)	Interest on Security Deposit & Deposit for Services	-	-	-	(0.05)
(vii)	PDS Brokerage	-	0.13	-	0.32
	Total	-	4,764.82	-	4,847.81

NOTE 30 : EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		Directors *	Total	Directors *	Total
(i)	Salaries and wages	0.87	181.90	1.27	206.36
(ii)	Gratuity	-	2.75	(0.03)	2.13
(iii)	Contribution to provident and other funds	0.07	11.55	0.09	19.73
(iv)	Staff welfare expenses	-	2.00	-	3.16
(v)	Insurance	-	0.45	-	0.18
(vi)	Group saving linked Insurance premium	-	0.02	-	0.02
(vii)	Staff Development/Training	-	0.11	0.01	0.31
(viii)	Administrative Charges - Provident/Hudco Pension Fund	-	0.41	-	0.35
(ix)	HUDCO Pension Fund	-	6.98	0.09	6.75
(x)	Contribution to Benevolent Fund	-	0.08	-	0.03
	Total	0.94	206.25	1.43	239.02

* Includes provision/payment for directors and included in total.

Note: The expenditure of salaries & wages is inclusive of expenditure on EL/HPL paid or payable.

NOTE 31 : IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost
(i)	Loans	-	(185.90)	-	0.53
(ii)	Investments	-	-	-	-
(iii)	Other Assets	-	0.49	-	0.59
(iv)	Principal Waiver / Written Off	-	111.78	-	154.64
	Total	-	(73.63)	-	155.76

NOTE 32 : OTHER EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		Directors'	Total	Directors'	Total
A	ADMINISTRATIVE				
(i)	Office Rent	-	1.59	-	1.18
(ii)	Repairs & Maintenance to Building	-	11.38	-	11.21
(iii)	Repairs & Maintenance to Other Assets	-	0.96	-	1.00
(iv)	Repairs & Maintenance to Vehicle	-	0.24	-	0.33
(v)	Loss on sale of Investment	-	-	-	0.21
(vi)	Insurance	-	0.14	-	0.14
(vii)	Rates & Taxes	-	2.85	-	2.29
(viii)	Travelling	0.03	0.60	0.25	3.62
(ix)	Legal & Professional Fee	-	6.56	-	5.98
(x)	Auditors Remuneration :				
(a)	Audit Fees				
	- Current Year	-	0.23	-	0.23
	- Previous Year (Arrears)	-	-	-	-
(b)	Tax Audit Fees				
	- Current Year	-	0.10	-	0.10
	- Previous Year (Arrears)	-	-	-	-
(c)	Other Services	-	0.15	-	0.17
(d)	Reimbursement of expenses	-	-	-	0.02
(xi)	Electricity	-	2.54	-	2.15
(xii)	Printing, Stationery & Photocopying	-	0.50	-	1.14
(xiii)	Postage, Telegram, Telephone & Telex	-	1.40	-	2.22
(xiv)	Advertisement, Publicity & Sponsorship	-	1.13	-	3.25
(xv)	Exhibition & Conference (Net)	-	-	-	0.12
(xvi)	Subscription & Membership	-	0.07	-	0.14
(xvii)	Miscellaneous #	0.01	25.55	0.15	32.27
	Total A	0.04	55.99	0.40	67.77
B	OTHER EXPENSES				
(i)	Grant in Aid/ R & D expenditure	-	-	-	0.20
(ii)	Expenses on Consultancy	-	0.29	-	0.27
(iii)	Expenses on Management Development Programme	-	0.21	-	1.24
(iv)	Research and Development Plan	-	0.22	-	0.64
	Total B	-	0.72	-	2.35
	Total (A+B)	0.04	56.71	0.40	70.12

Includes ₹ NIL (previous year ₹ 0.14 crore) on account of sitting fee paid to directors.

NOTE 33 : CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in crore)

Particulars	1 st April, 2020	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2021
Debt securities	53,991.49	4,060.65	-	-	5.41	58,057.55
Borrowings other than debt Securities	7,276.65	(4,373.31)	(0.95)	(3.99)	(0.76)	2,897.64
Deposits	168.47	(145.83)	-	-	0.13	22.77
Total Liabilities from financing activities	61,436.61	(458.48)	(0.95)	(3.99)	4.78	60,977.96
Particulars	1 st April, 2019	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2020
Debt securities	51,236.78	2,752.08	-	-	2.63	53,991.49
Borrowings other than debt Securities	8,322.02	(1,048.68)	(11.82)	14.85	0.28	7,276.65
Deposits	289.16	(121.01)	-	-	0.32	168.47
Total Liabilities from financing activities	59,847.96	1,582.39	(11.82)	14.85	3.23	61,436.61

NOTE 34 : CAPITAL

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are safety and security of share capital and maximize the shareholder wealth.

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator Viz., RBI/NHB. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI/NHB.

Company has complied in full with all its externally imposed capital requirements over the reported period.

Regulatory Capital (NHB/RBI)

	31 st March, 2021*	31 st March, 2020**
	(₹ in crore)	(₹ in crore)
Tier I (NOF)	12,941.04	11,978.46
Tier II	186.29	94.20
Risk Wtd. Assets	20,507.00	21,765.85
	31 st March, 2021*	31 st March, 2020**
CRAR	(%)	(%)
CRAR - Tier I Capital	63.11%	55.03%
CRAR - Tier II Capital	0.91%	0.43%
Amount of subordinated debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

* CRAR based on provisional and unaudited Ind-AS accounts as on 31st March, 2021.

** Previous year's figures have been changed on the basis of audited accounts.

NOTE 35 : REVENUE FROM THE CONTRACTORS WITH CUSTOMERS (Ind AS – 115)

Particulars	2020-21 (₹ in crore)	2019-20 (₹ in crore)
Sale of Services		
- Consultancy, Trusteeship and Consortium	2.71	3.95
Fees and Commission Income	6.39	6.27
Total revenue from contracts with customers	9.10	10.22
Timing of revenue recognition		
Services transferred at a point in time	6.39	6.27
Services transferred over time	2.71	3.95

The Company has not recognized any contract balances as at the reporting date.

NOTE 36 : FAIR VALUE MEASUREMENT
36.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

36.2. Valuation governance

The Company's fair value methodology and the governance over its models include a number of controls and other procedures to ensure enough safeguards and maintain its quality and adequacy. All new product initiatives (including their valuation methodologies) are as per the approved policy of the Company. The ongoing measurement on fair value estimates is reviewed by the appropriate functional department of the Risk management and related finance functions.

36.3. Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

(₹ in crore)

Particulars	31 st March, 2021				31 st March, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Derivative financial instruments								
- Interest Rate Swaps	-	-	-	-	-	-	-	-
- Currency Swaps	-	0.66	-	0.66	-	1.61	-	1.61
- Forward Contract	-	-	-	-	-	-	-	-
Total Derivative financial instruments	-	0.66	-	0.66	-	1.61	-	1.61
Financial Assets at fair value through profit or loss								
- Mutual Fund	-	68.82	-	68.82	-	66.18	-	66.18
- Equities	-	0.11	172.35	172.46	-	0.10	165.23	165.33

NOTE 36 : (Contd.)

(₹ in crore)

Particulars	31 st March, 2021				31 st March, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Total Financial Assets at FVTPL	-	68.93	172.35	241.28	-	66.28	165.23	231.51
Total Assets measured at fair value	-	69.59	172.35	241.94	-	67.89	165.23	233.12
Liabilities measured at fair value								
Derivative Financial Instruments								
- Currency Swaps	-	-	-	-	-	-	-	-
- Interest Rate Swaps	-	-	-	-	-	-	-	-
Total Derivative financial instruments	-	-	-	-	-	-	-	-
Total Financial liabilities measured at fair value	-	-	-	-	-	-	-	-
Assets for which fair value are disclosed								
Investment Property (Refer Note 14A)		753.94				495.36		

36.4. Valuation techniques**Mutual fund**

Mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme.

Equity instruments

Equity instruments which are not actively traded on public stock exchanges but the active prices on a regular basis are available. Such instruments are classified as Level 2. Other equity instruments are fair valued based on the average of the discounted cash flow method and Net assets value (as provided by independent valuer). It is classified as Level 3.

Interest rate swaps, Currency swaps and Forward rate contracts

The most frequently applied valuation techniques include forward pricing and swap models and forward contract using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are classified under Level 2.

36.5. Valuation adjustments and other inputs and considerations**Credit Valuation Adjustments (CVA)**

The Company calculates CVA on a counterparty basis over the entire life of the exposure.

The Company applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Company concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2020-21 and 2019-20.

36.6. Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

NOTE 36 : (Contd.)

Particulars	2020-21	2019-2020
Type of adjustment	(₹ in crore)	(₹ in crore)
Credit value adjustment	0.04	0.13
Total	0.04	0.13

36.7. Transfer between level 1 and level 2

There have been no transfers between Level 1 and Level 2 for the year ended 31st March, 2020 and 31st March, 2021.

36.8. Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. The Company requires significant unobservable inputs to calculate their fair value.

(₹ in crore)

31 st March, 2021	At 1 st April, 2020	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2021	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL)							
Equities	165.23	-	-	-	-	172.35	7.12
Total financial assets designated at FVTPL	165.23	-	-	-	-	172.35	7.12
Total financial assets measured at fair value	165.23	-	-	-	-	172.35	7.12

(₹ in crore)

31 st March, 2020	At 1 st April, 2019	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2020	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL)							
Equities	175.89	-	4.46	-	(6.31)	165.33	(6.10)
Total financial assets designated at FVTPL	175.89	-	4.46	-	(6.31)	165.33	(6.10)
Total financial assets measured at fair value	175.89	-	4.46	-	(6.31)	165.33	(6.10)

36.9. Changes in key assumptions and range of inputs
(a) Net Asset Value (NAV) Method:

The Net Asset Value Method represents the value with reference to historical cost of assets owned by the Company and the attached liabilities on the valuation date.

NOTE 36 : (Contd.)**(b) Discounted Projected Cash Flow:**

Discounted Projected Cash Flow valuation technique is used to calculate Impact on fair value of level 3 financial instruments measured at fair value using the following unobservable input such as Discount Rate, Recovery rates, Interest Rate and Revenue from operations to ascertain the change.

- (c) To arrive at fair value of unquoted investments average of Net Asset Value (NAV) and Discounted Projected Cash flow as on 31st March, 2021 is taken.

The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation.

All changes in the fair market value would be reflected in the Statement of profit and loss based on the classification FVTPL.

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities.

March, 2021

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% -10%	5% increase (decrease) in growth rate would result in an increase/(decrease) in fair value by: ₹20.62 crore.
	Weighted Average Cost of Capital (WACC)	14% - 16%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹ 3.02 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.71crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.71crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.71crore).

March, 2020

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% -10%	5% increase (decrease) in growth rate would result in an increase/(decrease) in fair value by: ₹150.87 crore.
	Weighted Average Cost of Capital (WACC)	12% - 15%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹10.96 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.21 crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.21 crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.21 crore).

NOTE 36 : (Contd.)

36.10. Quantitative analysis of significant unobservable inputs

Interest rate volatility

Interest Rate volatility measures the expected future variability of a market price. It is generally quoted as a percentage; a higher number represents a more volatile instrument, for which larger swings in price (or interest rate) are expected. Volatility is a key input used to estimate the future prices for the underlying instrument (equity share). Interest rate volatility varies from time to time and therefore, it is not viable to make reliable and meaningful general statements about volatility levels.

Discount Rates

Discount rates are used for calculating the present value of future cash flows. In discounted cash flow models, discount rates are used as the direct reflection of the expected rate of return of the investments made by the Company in the due course of the business. Hence, these rates reflect the net present value of an asset. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments.

Recovery Rates

Recovery rates reflect the estimated loss that the Company will suffer given expected defaults (Non-performing Assets). The recovery rate is given as a percentage and reflects the opposite of loss severity (i.e. 100% recovery reflects 0% loss severity). In line with the operation of the Company, probability of Non-performing assets to loss assets plays an important role to ascertain the recovery rates. Higher loss severity levels / lower recovery rates indicate lower expected cash flows upon the default of the instruments. Recovery rates for complex, less liquid instruments are usually unobservable and are estimated based on historical data.

Revenue from operations

Revenue is the value of all sales of goods and services recognized by a Company in a period. Revenue (also referred to as Sales, Turnover, or Income) forms the beginning of a Company's Income Statement and often considered the "Top Line" of a business. Growth in revenue from operation directly impacts the profitability of the Company, as operation expenses are deducted from a Company's revenue to arrive at its profit.

36.11. Sensitivity of fair value measurements to changes in unobservable market data

Sensitivity of fair value measurements to changes in unobservable market data cannot be ascertained due to potential off-sets from economic or accounting hedge relationships in place.

36.12. Fair value of financial instruments not measured at fair value

Set out a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities

(₹ in crore)

Particulars	Carrying amount	31 st March, 2021				Carrying amount	31 st March, 2020			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Financial assets:										
Cash and cash equivalent	1,286.12	-	1,286.12	-	1,286.12	222.67	-	222.67	-	222.67
Bank balances other than cash and cash equivalent	141.28	-	141.28	-	141.28	200.14	-	200.14	-	200.14
Trade Receivables	7.93	-	7.93	-	7.93	6.24	-	6.24	-	6.24
Loans and advances to customers	74,291.89	-	-	74,291.89	74,291.89	74,267.92	-	-	74,267.92	74,267.92
Financial investments – at amortised cost	-	-	-	-	-	-	-	-	-	-

NOTE 36 : (Contd.)

Particulars	Carrying amount	31 st March, 2021				Carrying amount	31 st March, 2020			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Other financials assets	501.94	-	-	501.94	501.94	697.90	-	-	697.90	697.90
Total financial assets	76,229.16	-	1,435.33	74,793.83	76,229.16	75,372.87	-	427.05	74,965.82	75,691.54
Financial liabilities										
Trade payables	0.10	-	0.10	-	0.10	0.11	-	0.11	-	0.11
Debt securities	58,057.55	-	19,660.35	46,826.89	66,487.24	53,991.49	-	18,924.34	39,652.22	58,576.56
Borrowing other than debt securities	2,897.64	-	-	2,897.64	2,897.64	7,276.65	-	-	7,276.65	7,276.65
Deposits	22.77	-	-	22.77	22.77	168.47	-	-	168.47	168.47
Other financial liability	1,729.32	-	-	1,729.32	1,729.32	1,639.42	-	-	1,639.42	1,639.42
Total financial liabilities	62,707.38	-	19,660.45	51,476.62	71,137.07	63,076.14	-	18,924.45	48,736.76	67,661.21

36.12.1. Valuation Methodology of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Note 36.4.

Short-term financial assets and liabilities

For financial assets and financial liabilities, that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, Trade receivables, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers

The carrying amount of fixed interest rate bearing loans and floating interest rate bearing loans are taken as fair values. It is classified under Level 3.

Financial asset at amortised cost

The fair values of financial assets at amortised cost are the carrying amount of the financial asset. It is classified under Level 3.

Debt Securities

Fair value of traded bonds is market price of the bonds as on the balance sheet date or close to balance sheet date. It is classified as Level 2 since it is not actively traded. Fair value of non traded bonds is calculated based on discounted cashflow method (income approach) and it is classified as Level 3.

In case of Commercial Paper which is Current Liability i.e. short term maturity (less than or equal to twelve months), the face value of outstanding commercial paper is considered as fair value and is classified as Level 3.

Borrowing other than debt securities

The carrying amount of fixed interest rate bearing borrowings and floating interest rate bearing borrowings are taken as fair values, since these are reasonable approximation of their fair value. It is classified under Level 3.

NOTE 37: RISK MANAGEMENT**37.1. Introduction and risk management structure**

Company, being a Housing Finance Company is exposed to various types of risks like credit risk, operational risk, liquidity risk, market risk and foreign currency risk. Company is fully committed to manage these risks in an effective and proactive manner, for which

NOTE 37 : (Contd.)

HUDCO has in place a Risk Management Policy and Operating Manual in line with its objectives covering both the internal and external environment. With a view to minimize the impact of various risks to which Company is exposed to, Company has in place a Board level Committee namely 'Risk Management Committee of the Board' (RMCB) which reviews various suggestions/ recommendations/reports and action taken by three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

HUDCO has effective Assets and Liabilities Management system. ALCO reviews the risks relating to Assets and Liabilities and ensures management of mismatches through liquidity gap analysis, interest rate sensitivity analysis as per NHB guidelines. It is ensured that the ALM risks, if any, are managed within the permissible limits.

The Credit Risk Management Committee (CRMC) oversees and ensures that the institution's credit policies are complied with and the procedures are being consistently applied.

The Operational Risk Management Committee (ORMC) oversees and ensures the implementation of operational risk framework to explicitly manage each and every source of operational risk including Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk.

37.2. Credit risk

For management of credit risks in an effective manner, Company has established a strong appraisal mechanism containing comprehensive appraisal techniques/ guidelines in order to ensure timely repayments of principal & interest amount.

37.2.1. Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

37.2.2. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹74,291.89 crore and ₹74,267.92 crore as of 31st March, 2021 and 31st March, 2020 respectively, being the total of the carrying amount of balances with loans.

37.2.3. Analysis of risk concentration

HUDCO takes into consideration NHB/RBI norms for risk categorisation and the norms adopted for extending loan under HUDCO Niwas. Higher LTV is permissible for lower loan amounts while LTV reduces with the higher loan amounts. (Refer Note:10A)

31st March, 2021

LTV wise bifurcation:

For Retail portfolio:

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	6.29	0.61	0.91	7.81
41%-60%	9.82	1.17	3.25	14.24
61%-80%	56.83	4.99	9.47	71.29
More than 80%- Individual and bulk loan	7.92	0.63	5.13	13.68
More than 80%- bulk loan	173.29	-	-	173.29
Total	254.15	7.40	18.76	280.31

NOTE 37 : (Contd.)**Customer profile:**

(₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	39,377.13	5,930.22	402.57	45,709.92
Government - Urban Infrastructure	26,183.58	980.09	148.90	27,312.57
Non-Government	-	-	2,483.79	2,483.79
Retail	254.15	7.40	18.76	280.31
Total	65,814.86	6,917.71	3,054.02	75,786.59

Loan Commitments:**Customer profile:**

(₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,161.92	-	-	1,161.92
Government - Urban Infrastructure	4,258.13	-	-	4,258.13
Non-Government	-	-	-	-
Retail	1.70	-	-	1.70
Total	5,421.75	-	-	5,421.75

31st March, 2020**Loans to customers:****LTV wise bifurcation:****For Retail portfolio:**

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	8.12	0.47	0.95	9.54
41%-60%	14.63	0.22	3.60	18.45
61%-80%	68.74	2.62	9.55	80.91
More than 80%- Individual and bulk loan	9.95	0.56	4.94	15.45
More than 80%- bulk loan	181.76	-	-	181.76
Total	283.20	3.87	19.04	306.11

Customer profile:

(₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	42,992.76	821.21	41.17	43,855.14
Government - Urban Infrastructure	27,810.16	1,726.04	148.90	29,685.10
Non-Government	0.55	-	2,718.54	2,719.09
Retail	283.20	3.87	19.04	306.11
Total	71,086.67	2,551.12	2,927.65	76,565.44

NOTE 37 : (Contd.)

Loan Commitments:

Customer profile:

(₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,827.83	-	-	1,827.83
Government - Urban Infrastructure	3,899.12	-	-	3,899.12
Non-Government	-	-	-	-
Retail	1.37	-	-	1.37
Total	5,728.32	-	-	5,728.32

37.3. Liquidity risk

To manage the liquidity risk, Company has in place an effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, public deposits, term loans etc.

The Company maintains a pool of liquid assets which represents the primary source of liquidity in stress scenarios. Its composition is subject to limits designed to reduce concentration risks which are monitored on an on-going basis.

Analysis of financial assets and liabilities by remaining contractual maturities

(₹ in crore)

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
As at 31 March, 2021								
Financial assets								
Cash and cash equivalent and other bank balances	1,271.73	30.69	31.55	-	-	-	-	1,333.97
Net settled derivative assets	3.68	3.68	3.68	-	-	-	-	11.04
Financial assets at fair value through profit and loss	-	-	-	-	-	-	243.28	243.28
Loans	5,398.81	5,176.22	19,217.13	15,917.30	13,268.86	33,559.91	8,340.30	1,00,878.53
Financial investments at amortised cost	7.59	-	-	-	-	-	-	7.59
Other financial assets	-	-	8.52	493.42	-	-	-	501.94
Trade receivables	3.96	3.97	-	-	-	-	-	7.93
Total undiscounted financial assets	6,685.77	5,214.56	19,260.88	16,410.72	13,268.86	33,559.91	8,583.58	1,02,984.28
Financial liabilities								
Net settled derivative liabilities	3.65	3.58	3.51	-	-	-	-	10.74
Deposits	13.88	7.80	4.81	0.13	-	-	-	26.62
Debt securities	4,431.05	6,217.04	24,937.12	8,049.47	9,060.72	29,739.89	1,435.56	83,870.85
Borrowings (other than debt securities)	182.67	265.11	2,093.42	550.19	160.18	22.12	-	3,273.69
Trade payable	0.05	0.05	-	-	-	-	-	0.10
Other financial liabilities	864.66	864.66	-	-	-	-	-	1,729.32
Total undiscounted financial liabilities	5,495.96	7,358.24	27,038.86	8,599.79	9,220.90	29,762.01	1,435.56	88,911.32
Net undiscounted financial assets/ (liabilities)	1,189.81	(2,143.68)	(7,777.98)	7,810.93	4,047.96	3,797.90	7,148.05	14,072.99

NOTE 37 : (Contd.)

(₹ in crore)

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
As at 31 March, 2020								
Financial assets								
Cash and cash equivalent and other bank balances	295.42	31.34	96.05	-	-	-	-	422.81
Net settled derivative assets	3.77	3.77	11.31	-	-	-	-	18.85
Financial assets at fair value through profit and loss	-	-	-	-	-	-	233.51	233.51
Loans	5,343.20	5,347.26	19,932.86	16,658.34	14,449.46	35,258.25	10,091.72	1,06,081.09
Financial investments at amortised cost	-	-	-	-	-	-	-	-
Other financial assets	226.00	-	-	-	451.87	-	-	677.87
Trade receivables	3.12	3.12	-	-	-	-	-	6.24
Total undiscounted financial assets	5,871.51	5,385.49	20,040.22	16,658.34	14,901.33	34,258.25	10,325.23	1,07,440.37
Financial liabilities								
Net settled derivative liabilities	3.80	3.73	10.74	-	-	-	-	18.27
Deposits	116.56	59.10	24.59	2.74	-	-	-	202.99
Debt securities	4,336.47	3,602.85	22,851.32	8,553.30	9,562.80	28,517.81	5,129.55	82,284.10
Borrowings (other than debt securities)	3,621.89	322.85	2,499.30	793.07	576.05	246.60	60.75	8,120.51
Trade payable	0.06	0.05	-	-	-	-	-	0.11
Other financial liabilities	819.71	819.71	-	-	-	-	-	1,639.42
Total undiscounted financial liabilities	8,898.49	4,808.29	25,115.95	9,349.11	10,138.85	28,764.41	5,190.30	92,265.42
Net undiscounted financial assets/(liabilities)	(3,026.98)	577.21	(5,075.73)	7,309.23	4,762.47	5,493.83	5,134.93	15,174.96

37.4. Market risk

In order to mitigate the risks arising from fluctuations in interest rates and foreign currency exchange rates, Company periodically reviews and determines its lending rates based on its cost of funds and the market scenario. Further, the interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

37.4.1. Total market risk exposure

(₹ in crore)

	31 st March, 2021	31 st March, 2020	Primary Risk Sensitivity
	Carrying amount		
Assets			
Cash and cash equivalent and other bank balances	1,427.40	422.81	
Derivative Financial Instruments	0.66	1.61	Interest rate/ FX
Financial assets at FVTPL	241.28	231.51	Equity Price
Loans	74,291.89	74,267.92	Interest Rate
Trade Receivables	7.93	6.24	
Investment in Associates and Joint Ventures	2.00	2.00	
Other Financial Assets	501.94	697.90	
Financial Investments- Amortised cost	7.59	-	
Total	76,480.69	75,629.99	

NOTE 37 : (Contd.)

(₹ in crore)

	31 st March, 2021	31 st March, 2020	Primary Risk Sensitivity
	Carrying amount		
Liabilities			
Borrowings (other than debt securities)	2,897.64	7,276.65	Interest rate/FX
Derivative Financial Instruments	-	-	Interest rate/FX
Deposits	22.77	168.47	
Debt Securities	58,057.55	53,991.49	Interest rate
Trade Payables	0.10	0.11	
Other Financial Liabilities	1,729.32	1,639.42	
Total	62,707.38	63,076.14	

37.4.2. Interest rate risk

The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31st March, 2020 and 31st March, 2021.

Particulars	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity
	2020-21	2020-21	2020-21	2019-20	2019-20	2019-20
Derivative Financial Instruments	100/(100)	0.01/(0.01)	-	100/(100)	0.02/(0.02)	-
Loans & Advances	100/(100)	146.79/(146.79)	-	100/(100)	154.63/(154.63)	-
Borrowings	100/(100)	2.32/(2.32)	-	100/(100)	4.12/(4.12)	-
Debt Securities	246/(246)	0.31/(0.31)	-	107/(107)	0.22/(0.22)	-

37.4.3. Currency risk

In order to mitigate the risks associated with Foreign Currency Fluctuations, Company has a Foreign Currency Risk Management policy.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the INR would have resulted in an equivalent but opposite impact.

Currency	Change in currency rate in % 2020-21	Effect on profit before tax 2020-21 ₹ in crore	Effect on equity 2020-21 ₹ in crore	Change in currency rate in % 2019-20	Effect on profit before tax 2019-20 ₹ in crore	Effect on equity 2019-20 ₹ in crore
USD	1	1.62/(1.62)	-	1	2.31/ (2.31)	-
JPY	1	0.59/(0.59)	-	1	0.92/(0.92)	-

37.4.4. Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. At 10 per cent increase in the value of the Company's equities at 31st March, 2021 would have increased equity by ₹ 17.25 crore. An equivalent decrease would have resulted in an equivalent but opposite impact and would cause a potential impairment, which would reduce profit before tax by approximately ₹ 17.25 crore.

NOTE 37 : (Contd.)**37.4.5. Operational Risk**

In order to mitigate the operational risk(s) associated with the operations of the organization both internal as well as external including technology risk, employee risk, capital asset risk, external risk, compliance risks viz. external fraud, legal risk, etc, Company has established a strong reporting and monitoring mechanism.

Operational Risk Management framework covers managing each and every source of Operational Risk as a distinct risk to the institution's safety and soundness. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational Risk Factors and Key Risk Indicators (KRIs)' from Regional Offices/ departments which are further reviewed and analysed for mitigation of operational risk.

NOTE 38 : TAX EXPENSES

(₹ in crore)

Particulars	Period ended 31 st March, 2021	Period ended 31 st March, 2020
Current income tax:		
Current income tax charge	427.50	453.00
Adjustments in respect of current income tax of previous year	(4.08)	(1.80)
Deferred tax:		
Relating to origination and reversal of temporary differences	226.64	14.91
Income tax expense reported in the statement of profit or loss	650.06	466.11

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March, 2021:

(₹ in crore)

Particulars	Period ended 31 st March, 2021	Period ended 31 st March, 2020
Accounting profit before income tax	2,228.64	2,174.53
Tax at statutory Income Tax rate of 25.168%	560.90	547.29
Adjustment in respect of Current Income Tax of Prior Years	(4.08)	(1.80)
Income not subject to Tax (Less)		
Dividend Income	-	0.95
Rental Income (30%: Standard Deduction)	3.07	2.68
Deductions		
Difference in Depreciation	(0.13)	(0.12)
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	109.31	116.12
Provision for Bad & Doubtful Debt u/s 36(1)(viia) of the Income Tax Act, 1961	22.10	23.43
PM Care Fund	-	12.58
Reversal of Excess Provision for short Income tax	0.07	0.02
Expenses disallowed in Income Tax Act 1961 (Add)		
ECL and Principal Waiver	(18.66)	39.04
Provision on Advances, Debtors etc.	0.09	-
Provisions for Employee Benefit	7.76	10.24
Disallowance as per sec 43B	0.15	(0.65)
Others	0.42	1.89
Interest u/s 234	0.13	0.50
CSR	21.63	14.33
Ind AS Adjustment to P&L A/C	(10.24)	(3.98)
Sub Total	423.42	451.20
Deferred Tax Liability	226.64	14.91
Total Tax expenses	650.06	466.11
Effective Income tax Rate (in %)	29.17	21.43

NOTE 38 : (Contd.)

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(₹ in crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2021	31 st March, 2021	2020-21	2020-21
Derivative Financial Instruments	0.17	-	0.24	-
Investments	24.28	-	(1.03)	-
Property, Plant and Equipment	3.76	-	0.17	-
Debt Securities	12.82	-	3.72	-
Deposits	-	-	0.04	-
Other Financial Liabilities	0.12	-	8.22	-
Other Non- Financial Liabilities	-	0.08	0.40	-
Other Equity	1,363.59	-	(179.06)	-
Loans	-	705.75	(45.59)	-
Receivable	-	4.60	0.36	-
Other Financial Assets	-	0.01	(2.19)	-
Other Non-Financial Assets	3.20	-	(7.51)	-
Borrowings	-	0.53	(5.66)	-
Provisions	-	63.29	7.76	-
OCI	-	-	(6.51)	6.51
Total	1,407.94	774.26	(226.64)	6.51

(₹ in crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2020	31 st March, 2020	2019-20	2019-20
Derivative Financial Instruments	0.40	-	4.93	-
Investments	23.24	-	2.33	-
Property, Plant and Equipment and Investment Property	3.93	-	1.37	-
Debt Securities	16.54	-	7.30	-
Deposits	0.04	-	0.12	-
Other Financial Liabilities	8.34	-	3.23	-
Other Non- Financial Liabilities	0.32	-	0.12	-
Other Equity	1,184.54	-	283.22	-
Loans	-	751.33	(293.10)	-
Receivable	-	4.24	(1.64)	-
Other Financial Assets	-	2.20	(1.77)	-
Other Non-Financial Assets	-	4.31	(1.67)	-
Borrowings	-	6.19	(6.44)	-
Provisions	-	55.53	(7.35)	-
OCI	-	-	(5.60)	5.60
Total	1,237.35	823.80	(14.91)	5.60

NOTE 39: IND AS-116 LEASES-AMENDMENT EFFECTIVE FROM 01ST APRIL, 2019

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 01st April, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient not to reassess whether contract is or contains lease at 01st April, 2019. Instead, the Company applied the standards only to contracts that were previously identified as leases applying Ind AS 17.

Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases.

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets at the date of initial application for leases previously classified as finance leases.

Leases previously accounted for as operating leases

Company has lease contracts for the office building which are cancellable by the both the lessor and lessee. Company has some contracts which are cancellable by the either lessor and lessee and at present there is no estimation by the Company to continue or discontinue the same, further amount of that leases is not material for the Company and therefore Company is not creating ROU on that assets based on the materiality as per the guidance given under the Indian accounting standard. Further Company used hindsight in determining the lease term where the contract contained options to extend or terminate the lease and therefore its leases are covered under the short-term leases as per the guidance under the Ind AS-116.

Amounts recognised in Statement of Profit and Loss relating to short term leases is ₹ 1.59 crore during the year 2020-21 and in the previous year 2019-20 is ₹ 1.18 crore.

b) Company as a Lessor

The Company has given its Assets on the leases; details of the same are given under the Note No-14A Investment Property.

Lease Rental recognized as income during the year 2020-21 is ₹ 40.60 crore and in the Previous year 2019-20 is ₹ 35.54 crore.

NOTE 40: EXPLANATORY NOTES TO ACCOUNTS

- The financial results for the Financial Year ended 31st March, 2021 have been drawn up on the basis of Ind-AS that are applicable to the Company based on MCA Notification G. S. R. 111 (E) and G. S. R. 365 (E) dated 16th February, 2015 and 30th March, 2016 respectively. Any guidance/ clarifications issued by NHB/RBI or other regulators are adopted/ implemented as and when they are issued/ applicable. The results have been prepared based on the Schedule III for Non-Banking Financial Companies as per Notification G.S.R. 1022 (E) issued by the Ministry of Corporate Affairs on 11th October, 2018.
- Contingent Liabilities & other commitments not provided for and counter guarantees issued by the Company:

(a) Contingent Liabilities:

(₹ in crore)

	Particulars	2020-21	2019-20
i.	Claims of Contractors not acknowledged as debts*	-	-
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 st March, 2021 of ₹ 279.80 crore (previous year ₹ 279.80 crore) under protest. (This does not include un-quantified demands pertaining to interest/ penalties which may be levied after the finalisation of appeals)	284.02	284.02
iv.	Disputed service tax demands against which Company has gone in appeal. The Company has paid a cumulative amount upto 31 st March, 2021 of ₹ 0.14 crore (previous year ₹ 0.14 crore) under protest. (This does not include un-quantified demands pertaining to interest/penalties which may be levied after the finalisation of appeals).	4.23	4.55

*Counter claims of the Company against the claim of contractors not acknowledged as debts is NIL as on 31st March, 2021 (previous year NIL).

NOTE 40 : (Contd.)

(b) Capital commitments not provided for:

(₹ in crore)

	Particular	2020-21	2019-20
i.	Estimated amount of commitments remaining to be executed on capital account	19.57	27.27

(c) CSR commitments not provided for:

(₹ in crore)

	Particular	2020-21	2019-20
i.	Estimated amount of CSR commitments remaining to be executed	-	26.52

(d) Finance Lease Commitments:

(in ₹)

Particulars	31 st March, 2021		31 st March, 2020	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	23,532	2,394	23,532	2,597
After one year but not more than five years	47,064	4,239	70,596	6,632
Total minimum lease payments	70,596	6,632	94,128	9,230
Less amounts representing finance charges	63,964	-	84,898	-
Present value of minimum lease payments	6,632	6,632	9,230	9,230

The above does not include any contingent liability in respect of Andrews Ganj Project (AGP), arising on account of various court cases/ arbitration/ allottees' claims against cancellation of allotment etc., as in this case, HUDCO is only working as an agent being project executed on behalf of Govt. of India. As such, liability (if any) whenever ascertained / finalised shall be passed on to MoHUA, Govt. of India and met out of AGP (No Lien AGP Account), being maintained separately, in line with the directions of the then MoUD.

3) Andrews Ganj Project

- 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 07th 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 04th 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 03rd November, 2004. Subsequently, a separate "No Lien AGP Account" has been opened under the name of "HUDCO AGP Account", in which the surplus lying to the credit of the then MoUD was credited and interest accrued/ earned on "No Lien AGP Account" was also credited to that account.
- iv) HUDCO contends that as per minutes of the meeting held on 07th September, 1995 and in terms of Perpetual Lease Deed dated 04th July, 1997, the status of the Company is "Agent of MoUD". The contention of HUDCO is that it is working as an agent and as such total ownership rights and responsibilities of AGP are of MoHUA-GOI (erstwhile MoUD) and there is no financial liability of HUDCO in respect of AGP. This has been upheld by learned Shri GE Vahanvati, the then Solicitor General of India, vide his opinion dated 12th April, 2005. This opinion was re-confirmed by learned Shri GE Vahanvati as Attorney General of India vide his opinion dated 19th August, 2009. The opinion was also duly endorsed by the then Law Secretary and Law Minister of Government of India.
- v) Keeping this position in view and in accordance with HUDCO's Board decision in 459th meeting dated 24th August, 2009, HUDCO has been making payments / settling claims on Ministry's behalf and accounting them in "No Lien AGP Account" being separately maintained by HUDCO. As on 31st March, 2021, this account has a deficit in the form of debit balance of ₹ 493.33 crore, recoverable from MoHUA (erstwhile MoUD). This represents amount paid by HUDCO on behalf of the Ministry for the capital and revenue

NOTE 40 : (Contd.)

expenditures on AGP project over and above the recoveries and the accumulated interest amounting to ₹ 235.28 crore charged @ 10.75% p.a. (simple), on excess of expenditure over recoveries. The MoHUA (erstwhile MoUD) in a meeting held on 27th April, 2015 have also asserted that HUDCO shall continue to implement and manage the AGP in terms of Perpetual Lease Deed and all the pending issues shall be looked into for resolution by the Ministry. The MoHUA (erstwhile MoUD) in the said meeting has also decided that HUDCO as a Lessee will bear all the liabilities including the liabilities generated out of compliance of various court orders in cases related to the project. The Company vide its letter dated 30th September, 2015, conveyed its reservation to accept the decision for bearing the liabilities of Andrews Ganj project as HUDCO is acting as an agent of MoHUA, Government of India, for AGP, in terms of perpetual lease deed conditions and other agreed terms.

- vi) The Ministry has been informed specifically of the above facts and figures on various occasions through correspondence as also in the meetings. A communication was received from Dy. L&DO vide letter dated 22nd March, 2016 wherein Dy. L&DO had conveyed that HUDCO may continue to implement Andrews Ganj project and manage "No Lien AGP Account" in line with the terms and conditions as stipulated in the Perpetual Lease Deed dated 04th July, 1997. The Ministry again informed in specific vide Dy L&DO letter dated 31st May, 2018 that HUDCO as a lessee is permitted to incur/book maintenance and legal expenditure in respect to Andrews Ganj Project from "No Lien AGP Account". Like earlier years, in-line with the minutes of meeting dated 07th September, 1995, the perpetual lease deed dated 04th July, 1997, income of ₹ 27.59 crore on account of interest accrued on AGP Project has been credited to Statement of Profit and Loss for the period year ended 31st March, 2021.
- vii) As decided by HUDCO Board in its 596th meeting held on 14th June, 2018, Ministry of Housing and Urban affairs has been requested vide letter dated 09th July, 2018 to consider taking over the Andrews Ganj project with assets and liabilities and pay the amount incurred / to be incurred by HUDCO, towards implementing the project. It has also been conveyed that "till the project is taken over by Ministry", HUDCO shall be continuing implementing the project as per existing arrangements and continue booking maintenance and legal expenses, interest @ 10.75% p.a. and administrative charges @1.5% in "No Lien AGP Account". The decision on the same from the Ministry is awaited.
- viii) The Company, in its aforesaid capacity as an agent of MoHUA (erstwhile MoUD), relating to AGP, is in possession of real estate properties (9 guest houses blocks and hotel site) which command much higher realizable market value sufficient to recover aforesaid amount of ₹ 493.33 crore, as on 31st March, 2021.
- ix) MoHUA was requested vide letter dated 13th January, 2021 to make arrangements towards reimbursement of ₹ 462.63 crore (outstanding as on 31st March, 2020) endorsement for settling the same from the project proceeds as and when the same are realized, which is also in line with the Lease agreement and well settled and agreed.

In reply to the same, Ministry vide letter dated 10th March, 2021 has requested for certain additional information including the breakup details of principal amount and interest amount as contained in the "No Lien AGP Account" to process HUDCO's request.

The requisite clarification was furnished to Ministry vide HUDCO's letter dated 06th April, 2021 with a request to expedite its decision. The matter is being followed up with Ministry on regular basis. However, in view of the outbreak of Covid-19 pandemic beginning from March 2021, decision of Ministry is being held up. Ministry vide letter dated 28th June, 2021 has stated that the "HUDCO's proposal is under examination in consultation with IFD, MoHUA. Till the proposal of HUDCO vide their letter dated 13th January, 2021 is approved, the existing arrangement may be continued as conveyed vide this office letter dated 22nd March, 2016 and 31st May, 2018".

- (c) i) The Company had allotted a hotel site including car parking space to M/s. Tomorrowland Technologies Exports Ltd. i.e. TTEL (formerly known as M/s. M S Shoes East Limited). Due to default in payment of installments by TTEL, the Company cancelled the allotment of hotel site including car parking space and forfeited the amount paid by TTEL in terms of the allotment letter.

TTEL started litigation regarding hotel site and filed suit for declaration in lower courts that cancellation of allotment letter by HUDCO, be declared as null & void. The Sr. Civil Judge passed final order dated 03rd July, 2010 against HUDCO. HUDCO filed first appeal against the Order of Sr. Civil Judge before Additional District Judge (ADJ) Delhi. The ADJ vide Order dated 18th July, 2014 dismissed the first appeal of HUDCO and passed the judgment in favour of TTEL. HUDCO filed Regular Second Appeal (RSA) with Hon'ble High Court of Delhi which passed the final judgment on 03rd July, 2016 in favour of HUDCO. TTEL challenged the High Court Order by filing SLP NO: 34338/2016 in the Supreme Court. The matter is currently in pendency before Hon'ble Supreme Court.

- ii) The allotment of 9 blocks of guest houses, restaurants, kitchens and shops, which were allotted to TTEL, was cancelled due to default in payment of installment by TTEL and amount of first installment paid by TTEL was forfeited as per terms of allotment letter. TTEL filed a civil suit for permanent injunction and possession against HUDCO & Union of India. The Hon'ble High Court, vide Order dated 10th August, 2016, directed that HUDCO & Union of India should consider the proposal given by TTEL for refund of entire amount deposited by way of 1st installment by it with HUDCO along with interest at such rate which may be deemed appropriate by Court.

NOTE 40 : (Contd.)

In view of Hon'ble High Court of Delhi order dated 10th August, 2016, the Board in its 568th meeting held on 23rd August, 2016 resolved to approve the proposal to refund first installment forfeited by HUDCO excluding earnest money & the interest for delayed payment paid thereof by TTEL for guest house blocks after adjusting the commercial losses caused to HUDCO and other expenses incurred by HUDCO since 1997-98 from the date of completion of project subject to necessary approval/NOC of MoUD, Govt. of India.

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

TTEL filed Review Petition in the month of May, 2017, before Hon'ble High Court of Delhi for review of the Decree dated 13th January, 2017, praying inter-alia for refund of EMD, grant of interest @ 16.48% p.a. on quarterly rests. Subsequently, Review Petition filed by TTEL was disposed off by the High Court on 12th December, 2017. Thereafter, TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Hon'ble Supreme Court against the Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The Company filed application for recalling the Hon'ble High Court Order dated 13th January, 2017, in view of the Review Petition filed by TTEL and directions of Govt. of India. The matter was listed on 28th August, 2018, after hearing all parties, Hon'ble High Court dismissed the "Recall Application" of HUDCO. HUDCO filed SLP in Supreme Court challenging the High Court Order dated 28th August, 2018 and 13th January, 2017. Vide Order dated 18th September, 2018, the Hon'ble Supreme Court has dismissed the SLP as withdrawn, with liberty to HUDCO to file all legal objections regarding the executability of the decree in the executing Court.

Further, TTEL also filed first Execution Petition in Delhi High Court and later on, the same was also withdrawn by TTEL on 23rd December, 2017. Thereafter, TTEL has filed Revised Execution Petition, making Govt. of India also a party and claiming rate of interest @ 11% p.a. as per the decree dated 13th January, 2017. The matter was listed on 3rd May, 2018, wherein the Hon'ble High Court first directed for attachment of HUDCO Property i.e. HUDCO Bhawan, IHC, Lodhi Road, New Delhi. However, after hearing the submission of HUDCO vide the same order, Hon'ble High Court kept the attachment order of HUDCO Property in abeyance till the next date and also directed that HUDCO will not sell the property at Andrews Ganj, Delhi. Further, the learned Justice V.N. Khare, former Chief Justice of India, has opined that, "HUDCO's consent to perform the terms of the Order dated 13th January, 2017 was conditional on UOI's support and in the event any liability is indeed ascribed to HUDCO, the same should then be recoverable from the UOI".

In view of the Supreme Court's Order dated 18th September 2018, HUDCO filed objection in the Execution Petition, pending in Delhi High Court. The matter was listed on 29th October, 2018. After hearing the submission of HUDCO's Counsel, the Hon'ble Court dismissed the objections. HUDCO filed two appeals in Delhi High Court as under:-

- i) Regular first Appeal (RFA 79/2018) against the final order/ decree 13th January, 2017 and order dated 28th August, 2018 (Dismissal of Recall application by High Court). Notices have been issued.
- ii) Execution First Appeal (EFA No 19/2018) against the order dated 29th October, 2018, wherein objections of HUDCO in execution petition were dismissed. The matter was listed on 27th November, 2018. After hearing the matter, the Hon'ble Court stayed the execution proceeding pending in Delhi High Court till the next date. The matter was listed again on the application of the M/s TTEL for vacation of stay on 08th July, 2020 before Division Bench, Delhi High Court, after hearing the matter, the Hon'ble Court directed that Execution First Appeal (EFA) 19/2018) shall be adjourned sine die and will be listed after the final disposal of the Regular First appeal (RFA 79/2018). The parties are at liberty to move the application for revival of EFA after final disposal of RFA 79/2018. Till the further order, the stay on the Execution proceedings shall be continued. Both the cases are pending.

TTEL filed SLP in Supreme Court, against the High Court Order dated 27th November, 2018, wherein High Court stayed the execution proceedings. However, the same has been withdrawn by TTEL on 14th January, 2019.

TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Supreme Court against Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The SLP filed by TTEL is currently pending in Hon'ble Supreme Court. Further, in the SLP No 10752/53 of 2018, the Union of India has filed an affidavit denying its liability on this account. The said affidavit, was placed before the Board of Directors of HUDCO and as per the decision, the Company has also filed a reply/affidavit to the affidavit of Union of India denying its liabilities on account of the same bases on perpetual Lease Deed 04th July, 1997 and Record Note of discussion dated 07th September, 1995. The matter is currently pending before Hon'ble Supreme Court of India.

Hence, in view of the facts and circumstances stated above, the Company does not expect any liability on this account and any expenditure related thereof. In case of any liability by virtue of any court order or otherwise, the same shall be in the account of "No Lien AGP Account" of MoUD, based on the facts and documents and the legal opinions obtained by HUDCO.

NOTE 40 : (Contd.)

- (d) The arbitrator has passed an award in favour of M/s. Ansal Properties and Industries Ltd. (APIL) amounting to ₹ 8.84 crore along with interest @ 18% p.a. on 28th July, 2005 in respect of the property leased to APIL at AGP. The Arbitrator has also allowed the counter claim of HUDCO amounting to approximately ₹ 0.85 crore along with interest @ 18% p.a. on account of maintenance charges w.e.f. 1st January, 2001 up-to 31st July, 2005. HUDCO has challenged the award before the Hon'ble High Court of Delhi and, as per the directions of the court, has deposited a sum of ₹ 7.99 crore in the court out of "No Lien AGP Account". Now, the case is listed before Registrar General, Hon'ble High Court for further proceedings.

APIL has invoked arbitration for refund of ground rent paid by it from November, 1995 to October, 1999 and the arbitrator has pronounced the award on 21st July, 2006 holding therein that APIL is not liable to pay the ground rent up to October, 1999 i.e. till the shopping arcade was constructed and became operational in October, 1999. The amount of ₹ 3.93 crore deposited earlier by APIL has been directed to be adjusted towards the future ground rent payment dues w.e.f. November, 1999 along-with Interest @ 7% p.a. for delayed payment. HUDCO has filed petition challenging the award before the Hon'ble High Court of Delhi. The Hon'ble High Court on 10th May, 2012 has set aside the arbitration award dated 21st July, 2006. APIL filed an appeal against the above-mentioned order before Division Bench of Hon'ble High Court, Delhi. Division Bench vide its order dated 24th January, 2013, allowed APIL appeal and upheld the Arbitrators award. HUDCO filed SLP on 10th May, 2013 before Hon'ble Supreme Court against this order which is currently pending.

- 4) HUDCO had allotted 6435 sq. mtr. of built-up space in 1993 at HUDCO Vishala, Bhikaji Cama Place, New Delhi to EPFO on Long term Sub-lease basis. The sub-lease in favour of EPFO is yet to be executed and ₹ 0.35 crore is recoverable from EPFO.
- 5) (a) The Company has a procedure for seeking confirmation of outstanding balances at each quarter end from all the borrowers except cases under litigation. In case of receipt of balance confirmation from the agency for any Quarter of the year, the same is treated as confirmed during the year. Confirmation of balances covering approximately 89.65% received upto 14th June 2021 (previous year 89.14% received upto 16th June 2020) in value of the total project loan outstanding (excluding Litigation cases) have been received from the borrowers.
- (b) The Company has made impairment provision on loans (as per ECL approach) of ₹ 2,753.78 crore as on 31st March, 2021 and ₹ 2,939.67 crore as on 31st March, 2020 as per Ind-AS requirement.
- (c) As per RBI notification no. RBI/2019-20/170 Circular DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standards, Housing Finance Companies are required to create an Impairment Reserve for any shortfall in impairment allowances under Ind-AS 109 and IRAC norms (including provision on standard assets). The impairment allowance under Ind-AS 109 made by the Company is lower than the total provision required under IRAC as at 31st March, 2021 and accordingly, impairment reserve of ₹ 161.81 crore has been created.

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS *	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	65,814.87	6.89	65,807.97	308.40	(240.57)
	Stage 2	6,917.71	61.33	6,856.38		
Sub-total		72,471.03	67.83	72,403.19	308.40	(240.57)
Non- Performing Assets						
Sub-standard	Stage 3	362.52	116.77	245.75	54.38	62.39
Doubtful-						
upto 1 year	Stage 3	143.57	52.02	91.55	35.89	16.13
1 to 3 years	Stage 3	104.08	88.89	15.19	73.07	15.82
More than 3 Years	Stage 3	2,421.25	2,404.71	16.54	2,421.25	(16.54)

NOTE 40 : (Contd.)

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS *	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Sub-total for Doubtful		2,668.91	2,545.63	123.28	2,530.22	15.41
Loss	Stage 3	22.59	22.59	-	22.59	-
Sub-total for NPA		3,054.01	2,684.98	369.03	2,607.18	77.80
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
	Stage 1	-	0.57	-	-	0.57
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total		-	0.57	-	-	0.57
Total	Stage 1	65,814.87	7.47	65,807.40	308.40	
	Stage 2	6,917.71	61.33	6,856.38		
	Stage 3	3,054.01	2,684.98	369.03		
	Total	75,786.59	2,753.78	73,032.81	2,915.59	(161.81)

* Does not include Interest Accrued, Ind AS Adjustment etc.

6) The receipts from the agencies in the loan accounts is appropriated as per loan agreement in the following order:

- Other dues/ expenses recoverable
- Penal interest
- Normal interest
- Principal

In the event of excess payment, the same is adjusted towards principal.

However, in respect of default cases, repayments are first adjusted towards liquidation of the oldest default by following above order and after appropriation of default, the balance, if any, is adjusted as per the normal practice as above.

7) During the FY 2020-21, the Company has implemented restructuring plan in case of RKM Powergen Pvt Limited, principal outstanding ₹ 482.57 crore, as per RBI Circular dated 7th June, 2019 on "Prudential Framework for Resolution of Stressed Assets" and resolution plan in case of M/s Dighi Port Limited, principal outstanding ₹ 44.29 crore, as approved by NCLT under IBC Act 2016 as per following details:

- In case of RKM Powergen Pvt Limited, Master Debt Restructuring Agreement (MDRA) executed among 8 consortium lenders, the outstanding loan has been converted into a Sustainable Debt of ₹ 297.12 crore and balance Principal amount of ₹ 185.45 crore have been considered as Unsustainable Debt. Equity and Optionally Convertible Debentures have been issued at value of ₹ 1/- each towards Unsustainable debt. The Unsustainable debt has been written off with the reversal of the corresponding ECL allowance thereof.
- In the case of M/s Dighi Port Limited, the NCLT under IBC Act 2016 has approved a resolution plan which has been implemented by the Company. As per the NCLT order, ₹ 24.89 crore has been received and balance of ₹ 19.40 crore has been written off with the reversal of the corresponding ECL allowance thereof.

NOTE 40 : (Contd.)

8) Disclosure of material impact of COVID-19 pandemic under Listing Obligations and Disclosure Requirements (LODR) of SEBI- Financial Statement

(a) Disclosure of Covid-19 Impact during the Year 2020-21

The financial year ended 31st March, 2021 marked a full year since the World Health Organisation declared the outbreak of COVID-19 as a pandemic. Countries across the globe continued to face drastic economic and social disruptions along with tragic loss of lives and livelihoods. Eruptions of new waves and variants of the virus necessitated restrictions and lockdowns.

In accordance with RBI guidelines on Covid-19 Regulatory package dated 27th March, 2020, 17th April, 2020 and 23rd May, 2020, the Company had offered Moratorium on the payment of installments falling due between 01st March, 2020 to 31st August, 2020 to eligible borrowers whose account is Standard and not in default as per Board approved guidelines.

The extent to which the Covid-19 pandemic shall impact the Company's future results shall depend on developments, which are highly uncertain, including among other things, any new information concerning the severity of the Covid-19 pandemic and any action to contain its spread or mitigate its impact. The Company shall continue to closely monitor any material changes to future economic conditions. However, operating in the Govt. Guarantee as security with most of the Govt. borrowers additionally supported with budgetary provision of the Govt. or Mortgage as Security, we believe that we hold a much stable asset class and better borrower profile, which can withstand the pandemic relatively better.

In April 2021, India witnessed a second wave of infections. However, HUDCO's operations will not be impacted due to the reasons as mentioned in the foregoing para.

(b) Ex-gratia payment of difference between compound and simple interest on Retail Loan Portfolio

In view of the unprecedented and extreme COVID-19 situation, Government of India, Ministry of Finance, Department of Financial Services vide letter No., F. No. 2/12/2020-BoA.I dated 23rd October, 2020 announced ex-gratia payment of difference between compound interest and simple interest by ways of relief for the period from 1st March, 2020 to 31st August, 2020 to borrowers in specified loan accounts. In compliance of the said Circular, the Reserve Bank of India vide letter dated 26th October, 2020 advised all specified lending institutions to be guided by the provisions of the Scheme and instructed to take necessary action within the stipulated timeline. Since the scheme provided for giving ex-gratia for loans upto ₹ 2 crore and HUDCO being HFC, the said guidelines were applicable to home loans given by HUDCO.

In compliance to the said Circular, claim amount of ₹ 0.09 crore as ex-gratia payment was given to all borrowers, as per guidelines, which was duly credited in the loan accounts of all the existing borrowers and by remittance in saving accounts in all closed loan cases and claim amount was lodged with State Bank of India and the said amount has been recovered on 31st March, 2021.

(c) As per RBI Circular No. RBI/2021-22/17DOR.STR.REC.4/21.04.048/2021-22 dated 07th April, 2021 and IBA letter dated 19th April, 2021 on methodology for calculation of interest on interest and penal interest, the Board has approved a policy for refund of interest on interest and penal interest charged during the moratorium period from 01st March, 2020 to 31st August, 2020. Thus, the Company has made a provision in the financial statements for the year ended 31st March, 2021 equivalent to ₹ 17.60 crore which is to be refunded/adjusted in the borrowers account. Accordingly, Interest income for the year ended 31st March, 2021 has been reduced by ₹ 17.60 crore.

9) The Company had made Long Term Investments at a total cost of ₹ 99.86 crore which represents Trade Investment in Equity Shares, Investments in Associates, Infrastructure Debt Fund and bonds. As per the applicable Ind AS, Investments as on 31st March, 2021 are being shown at fair value through profit or loss of ₹ 241.28 crore.

10) 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.

NOTE 40 : (Contd.)

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

11) The Company has adopted Ind AS-19 'Employee Benefits'. Defined employee benefit schemes are as follows:

- (a) The Company has a separate trust to manage provident fund scheme and provides interest guarantee as per Employees' Provident Fund Scheme, 1952. The Company pays fixed contribution of provident fund at a predetermined rate to the trust, which invests the funds in permitted securities. The trust is required to pay a minimum notified rate of interest on contribution to the members of the trust and the provident fund scheme additionally requires the Company to guarantee the payment of interest at rates notified by the Central Government from time to time under the Employees' Provident Fund Scheme, 1952 and recognizes such deficiency as an expense in the year it is determined.

In view of the interest rate guarantee by the Company, the plan although being a defined contribution plan is being treated as defined benefit plan for the purpose of disclosure as per Ind AS 19, since as per Section 17 of the Employees Provident Funds (EPF) Act, 1952, the Company has to guarantee the interest rate as announced by the EPFO from time to time. Accordingly, the actuarial valuer has done valuation to the extent of interest rate guarantee and details of the same have been disclosed as given below.

The fair value of the plan assets of the Provident Fund and the accumulated members' corpus is ₹ 328.88 crore and ₹ 364.09 crore respectively (Previous year - ₹ 313.76 crore and ₹ 330.20 crore respectively). The fair value of the assets of the provident fund as at 31st March, 2021 is lower than the obligation under the defined contribution plan. Accordingly, a provision of ₹ 35.21 crore based on actuarial valuation has been made in current year.

The charge to Profit and loss Account for the valuation period is ₹ 11.59 crore. The amount for Other Comprehensive Income is ₹ 17.65 crore.

The actuarial assumptions include discount rate of 6.55% (Previous year - 6.60%) and an average expected future period of 8.39 years (Previous year- 9.17 years). The Company recognized ₹ 9.44 crore (Previous year - ₹ 9.34 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)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1.Component of Employer Expenses								
a. Current Service Cost	2.51	2.33	3.64	3.14	0.90	0.78	4.32	4.17
b. Interest Cost	0.06	(0.03)	2.11	1.85	0.66	0.65	10.77	10.39
c. Past Service Cost	-	-	-	-	-	-	-	-
d.Unrecognized Past service cost	-	-	-	-	-	-	-	-
e. Expected return on plan assets	(0.18)	(0.30)	N.A.	NA	N.A.	N.A.	N.A.	N.A.
f. Actuarial (Gain) / Loss	0.66	6.49	1.97	5.50	0.15	0.64	7.76	8.89
g. Recognised in Other Comprehensive Income	(0.48)	(6.20)	N.A.	N.A.	N.A.	N.A.	(7.76)	(8.89)
h. Recognised in the Statement of Profit & Loss.	2.58\$	2.29\$	7.71	10.49	1.70	2.07	15.09	14.56
2. Net Asset / (Liability) recognised in Balance Sheet as at 31.03.2021								
a. Present value of Obligation as at 31.03.2021	77.57	75.09	33.44	32.00	10.61	9.96	171.44	158.21
b. Fair Value of plan assets as at 31.03.2021	78.75	72.95	N.A. #	N.A. #	N.A. #	N.A. #	N.A. #	N.A. #

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
	2020-21	2019-20	EL		HPL		2020-21	2019-20
			2020-21	2019-20	2020-21	2019-20		
c. Liability / (Assets) recognised in Balance Sheet	(1.18)	2.14*	33.44	32.00	10.61	9.96	171.44	158.21
3. Change in present value of obligation as on 31.03.2021								
Present Value of obligation as at 31.03.2020	75.09	66.92	32.00	25.22	9.96	8.82	158.21	143.42
Current service cost	2.51	2.33	3.64	3.14	0.90	0.78	4.32	4.17
Interest Cost	4.73	4.63	2.11	1.85	0.66	0.65	10.77	10.39
Past Service Cost	-	-	-	-	-	-	-	-
Unrecognized Past service cost	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	-	(0.07)	-	(0.74)	-	0.02	-	(0.32)
Actuarial gains and losses arising from changes in financial assumptions	1.61	3.42	0.63	1.27	0.21	0.45	2.46	3.97
Actuarial gains and losses arising from experience adjustments	(0.95)	3.14	1.34	4.97	(0.07)	0.17	5.29	5.24
Benefits Paid	(5.42)	(5.28)	(6.28)	(3.71)	(1.05)	(0.93)	(9.61)	(8.66)
Present Value of obligation as at 31.03.2021	77.57	75.09	33.44	32.00	10.61	9.96	171.44	158.21
4. Change in the Fair Value of Plan Assets								
Present value of plan assets as on 31.03.2020	72.95	66.19	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Expected return on Plan Assets	4.67	4.66	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual Company Contribution	6.37	7.08	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Benefits Paid	(5.42)	(5.28)	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Return on Plan Assets excluding amount included in Net Interest Expense	0.18	0.30	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from experience adjustments	-	-	-	-	-	-	-	-
Fair Value of Plan Assets as at 31.03.2021	78.75	72.95	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual Return on plan assets	4.85	4.96	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
5. The Principal assumptions used in determining defined benefits obligations for the Company's plans								
Discount Rate (p.a.) (%)	6.25	6.60	6.25	6.60	6.25	6.60	6.80	6.90
Expected rate of returns on plan assets (p.a.) (%)	6.25	6.60	N.A	N.A	N.A	N.A	N.A	N.A
Salary increase rate (p.a.) (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Withdrawal Rates	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Leave availment rate	N.A	N.A.	3% p.a.	3% p.a.	3% p.a.	3% p.a.	N.A	N.A.
Leave encashment in service	N.A	N.A.	2% p.a.	2% p.a.	0% p.a.	0% p.a.	N.A	N.A.
6. Details of the Plan Assets at cost as on 31.03.2020								
Government of India Securities, Corporate Bonds etc.	N.A#	N.A#.	N.A#	N.A#.	N.A#.	N.A#.	N.A#	N.A#.
Gratuity Fund Managed by Insurer	100%	100%						

Gratuity

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	75.28	79.97	72.78	77.52	78.14	76.98	75.79	74.44	77.73	77.42	75.26	74.92

HPL

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	10.30	10.93	9.65	10.27	10.91	10.32	10.26	9.67	10.55	10.67	9.89	10.02

EL

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	32.54	34.37	31.14	32.90	34.37	32.54	32.90	31.14	33.39	33.49	31.96	32.04

Medical Benefits

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Medical growth rate increase			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	159.65	184.60	146.70	171.09	176.30	167.03	161.90	154.86

NOTE 40 : (Contd.)

Expected payment for future years	Gratuity		HPL		EL		Medical benefits	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Within the next 12 months (next annual reporting period)	6.28	6.90	1.30	1.15	3.23	3.89	5.45	4.30
Between 2 to 5 years	33.46	30.73	4.57	4.19	15.70	14.61	27.51	22.20
Between 5 and 10 years	44.97	44.07	5.78	5.53	18.33	17.11	53.39	45.36
Total expected payments	84.71	81.70	11.65	10.87	37.26	35.61	86.35	71.86

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

\$ It represents the amount to be recognised in the Statement of Profit & loss as per actuarial valuation. However, since the scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company, so the premium paid is debited to the Statement of Profit & Loss.

The scheme of Gratuity is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company. Further, the schemes of Leave Encashment and Post-Retirement medical benefits are unfunded.

* The Company expects to contribute ₹ 2.49 crore (Previous year ₹ 2.14 crore) to the Gratuity Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2021 is 6.29 years (Previous year 6.62 years).

The Company expects to contribute ₹ 5.45 crore (Previous year ₹ 4.30 crore) to the Medical Benefit Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2021 is 22.48 years (Previous year 22.81 years).

12) Details of Provisions

(₹ in crore)

S. No.	Particulars	Opening Balance	Additions During the year	Paid/ Adjusted during the year	Closing Balance
A	Provision for employees benefit				
(i)	Leave encashment	41.95	9.43	7.33	44.05
	Previous Year	34.03	12.56	4.64	41.95
(ii)	Post-retirement medical benefit	158.21	15.07	1.85	171.43
	Previous Year	143.43	14.56	(0.22)	158.21
(iii)	Welfare expenses	1.90	0.20	0.16	1.94
	Previous Year	1.77	0.36	0.23	1.90
(iv)	Gratuity	2.14	2.58	5.89	(1.17)
	Previous Year	0.73	(4.79)	(6.20)	2.14
(v)	Provident Fund	16.44	11.06	(7.71)	35.21
	Previous Year	—	9.29	(7.15)	16.44
B	Others				
(i)	Provision for Income Tax	455.00	428.00	455.00	428.00
	Previous Year	584.90	455.00	584.90	455.00
C	Provisions on Loans (ECL -Net)				
(i)	Provision on loans (ECL)	2939.67	—	185.91	2753.78
	Previous Year	2939.16	2.59	2.08	2939.67

NOTE 40 : (Contd.)

(₹ in crore)

S. No.	Particulars	Opening Balance	Additions During the year	Paid/ Adjusted during the year	Closing Balance
D	Provision on Corporate Social Responsibility (CSR)				
	Provision on CSR	–	80.19	–	80.19
	Previous Year	–	–	–	–
E	Provisions on Investment/ Advances/ Debtors/ Staff Advances/against disputed service tax paid				
(i)	Provisions on Investment	3.11	–	–	3.11
	Previous Year	3.11	–	–	3.11
(ii)	Provision on staff advances	0.14	–	–	0.14
	Previous Year	0.13	0.01	–	0.14
(iii)	Provision on Advances	3.03	0.38	–	3.41
	Previous Year	3.03	–	–	3.03
(iv)	Provision on Doubtful Debts	16.83	–	0.03	16.80
	Previous Year	16.84	–	0.01	16.83
(v)	Provision against disputed service tax paid	2.49	–	–	2.49
	Previous Year	2.49	–	–	2.49

- 13) The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB.

RBI has issued notification dated 22nd October, 2020, on regulatory framework for HFCs, by which the definition of HFCs has undergone a change. As per the notification, HFC shall mean a Company incorporated under the Companies Act, 2013 which inter-alia, fulfils the following conditions:

1. (a) The financial assets, in the business of providing finance for housing constitute at least 60% of its total assets and
- (b) Out of the total assets not less than 50% should be by way of housing finance for individuals.

HFCs which are unable to fulfil the criteria shall be treated as NBFC – Investment and Credit Companies (NBFC-ICC).

HUDCO qualifies as a HFC as per Para 1(a) of the RBI circular, but the condition of 50% financing to Individuals is not met out, as mentioned in point no. 1(b) above. Accordingly, in view of the non fulfilment of the above condition, HUDCO requested RBI vide letter dated 16th December, 2020 for special dispensation to HUDCO for granting exemption from the clause pertaining to 50% lending to individuals and treat HUDCO as HFC.

The RBI in its reply letter dated 10th February, 2021 has informed its inability to accede to HUDCO's request for exemption and accordingly suggested to submit a Board approved plan to fulfil the principal business criteria for HFC or to convert into a NBFC-ICC.

In the meantime as per RBI's Master Directions issued vide Notification dated 17th February, 2021 for NBFC-HFC, certain circulars issued by NHB have been repealed. As HFC status is ruled out by the RBI, the decision to convert HUDCO into NBFC- Investment and Credit Company (ICC) or Infrastructure Finance Company (IFC) from the present HFC status, requires detailed analysis to be carried out on various pros and cons. RBI was requested vide letter dated 8th March, 2021 to grant six months' time for transition to NBFC and to retain the status of HFC and to continue operations with the special dispensations/ relaxations given earlier with regard to credit concentration norms/ exposure norms permitted by NHB/ RBI.

In response to HUDCO's request, RBI vide letter dated 26th March, 2021 has granted six months' time to submit Board approved plan for conversion to NBFC. RBI has further advised that the exemptions from concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions.

2. RBI has issued Master Directions for NBFC-HFC vide their Notification dated 17th February, 2021. RBI's credit concentration

NOTE 40 : (Contd.)

norms state that a Housing Finance Company's lending exposure to any single borrower or investment in the shares of another Company should not exceed 15% of its owned funds and lending exposure to any single group of borrowers or investment in the shares of single group of companies should not exceed 25% of its owned funds. As per the said circular, 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 RBI's credit concentration norms except in one case of investment in another HFC viz., Indbank Housing Ltd. (IBHL), a subsidiary of Indian Bank in which HUDCO has invested 25% capital of investee.

HUDCO had invested ₹ 2.50 crore, even before guidelines were applicable, in the Equity Shares of IBHL, whose total paid-up capital is ₹ 10 crore resulting in investment to the extent of 25% of the equity.

IBHL through their letter has informed that the earlier decision for merger of IBHL with the parent bank was taken by the IBHL Board on account of the then situation prevailing at that point of time. IBHL took various steps towards revival of housing finance business. The authorized capital of the Company was increased from ₹ 50 crore to ₹ 150 crore. The Company initiated steps for restructuring of capital by converting loan liabilities of Indian Bank into Compulsory Convertible Preference shares (CCPS) carrying 0.01% rate for ₹ 130 crore. However, the required permission of RBI was not forthcoming and hence conversion of loan liability to CCPS could not be carried out.

NHB/ RBI, from time to time, has given certain relaxations from credit concentration norms considering the role envisaged for HUDCO. However, vide its letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 2nd April, 2018, NHB capped the credit concentration (Exposure) limit for Government/Public agencies as follows:

- (a) The individual exposure limit of HUDCO to Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/ non-housing related activities) shall be capped at 50% of its NOF.
- (b) The exposure limit of HUDCO for State Government (under group exposure) shall be capped at 150% of its NOF in respect of State of Telangana and 100% of NOF for all other States. HUDCO is required to take suitable steps to bring down the group exposure in respect of State of Telangana also to 100% within a maximum period of 3 years. The conditions relating to compliance by the concerned State with the FRBM limits shall continue to be ensured by HUDCO.

The Board of Directors of HUDCO in its 594th meeting held on 19th April, 2018 considered above and directed that "NHB be again requested to expeditiously review its decision communicated vide its letter dated 2nd April, 2018 and permit HUDCO to continue on the already approved pattern of credit concentration norms communicated by NHB vide its letters from time to time".

NHB vide its letter No. NHB(ND)/DRS/SUP/7085/2018 dated 13th July, 2018 has conveyed its decision to allow HUDCO to continue its disbursements as per the schedule in relation to the existing sanctions made upto 31st May, 2018. However, HUDCO shall be required to take suitable steps to bring down the exposure to Government/Public Agencies and State Governments (under group exposure) in the above cases also to 50% and 100% respectively latest by March, 2023.

The exposure limits of upto 50% for Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/ non-housing related activities) and upto 100% for State Governments (under group exposure) will continue to be applicable in all other cases. The condition relating to compliance by the concerned State with the FRBM limits shall continue.

HUDCO vide letter dated 6th March, 2019 requested NHB seeking relaxation in the individual/group exposure norms. Further, HUDCO also sought exemption from exposure norms for funding of PMAY (U) programme through Extra Budgetary Resources (EBRs).

NHB has vide its letter no. NHB(ND)/DRS/SUP/879/2019 dated 8th March, 2019 granted relaxation in credit concentration norms (under individual borrower exposure to Government /public agency) to HUDCO to extend loan upto ₹ 20,000 crore to BMTPC under the PMAY-U subject to the condition that demand under Credit Linked Subsidiary Scheme (CLSS) is met on priority while utilizing funds lent to BMTPC.

NHB has vide its letter no. NHB(ND)/DRS/SUP/880/2019 dated 8th March, 2019 granted relaxation to HUDCO in respect of credit concentration (exposure) norms upto 140%, 175% and 120% of the NOF in respect of the State of Andhra Pradesh, Telangana and Uttar Pradesh respectively (under group exposure) and upto 55% (under individual exposure) each in case of APTIDCO and HMWSSB subject to the following conditions:

- (i) HUDCO shall continue to ensure that the extended exposures (beyond 50% and 100% respectively) are guaranteed by the State Government(s) and HUDCO will cease to extend further exposure to these states if FRBM limits are breached.
- (ii) HUDCO shall also be required to bring down its exposure to 50% in respect of individual exposure and 100% in respect of group exposure latest by 31st March, 2023, in accordance with the roadmap for graded reduction in exposure approved by Board of Directors.

NOTE 40 : (Contd.)

(iii) The position should be reviewed by the Board of HUDCO on a six monthly basis to ensure strict adherence to the Board approved exposure reduction plan.

(iv) In the event of HUDCO failing to comply with the above exposure reduction plan, HUDCO will be required to assign risk weight of 100% on the excess exposure in addition to any regulatory penalty as may be applied by the NHB.

The exposure limit of up-to 50% for Govt./Public agencies (inclusive of the exposure limit of up-to 30% for infrastructure/ Non housing related activities) and up-to 100% for State Govt.,(under group exposure) will continue to be applicable in all other cases.

RBI has vide its letter no 1736/3.10.136/2019-20 dated 5th March, 2020 granted relaxation of credit concentration norms for exposure to Telangana State Housing Corporation Limited (TSHCL) upto 75% of Net Owned Fund of HUDCO subject to following conditions:

(i) The additional exposure is backed by explicit guarantee from State Government.

(ii) The exposure to TSHCL will be brought down to 50% of NOF by 31st March, 2023 as prescribed by NHB (ND)/DRS/ SUP/880/2019 letter dated 8th March, 2019 .A detailed action plan to this effect may be forwarded to NHB.

(iii) Other conditions as prescribed by NHB vide their above mentioned letter dated 8th March, 2019 are adhered to.

RBI vide their letter dated 26th March, 2021 has permitted that the exemptions from concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions.

14) 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 31st July, 2001. The Company is operating in India and does not have any subsidiary including overseas subsidiary.

15) In respect of Bonds/ Deposits, the Company in terms of section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified on 5th September, 2016 is presently transferring unclaimed principal and/or interest, or both (if any), which are paid on due dates as per the terms of the Bonds/ 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 for the series which have redeemed includes interest of ₹ 0.02 crore as on 31st March, 2021 (previous year ₹ 0.04 crore), which have lapsed seven years from the respective due dates of interest payment and not transferred to IEPF, since seven years from the maturity date of the Bonds/ Debentures has not been completed yet.

16) The disclosure relating to unpaid amount as at the year-end together with interest paid / payable as required under the MSMED Act, 2006 have been given to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under MSMED Act, 2006. No interest has been paid/payable by the Company during the current year to the parties covered under the Micro, Small and Medium Enterprises Development Act, 2006.

17) The Company is engaged in the business of providing loans/finance for Housing/ Infrastructure projects and all other activities of the Company revolve around the main business within India. Accordingly, the Company does not have separate reportable segments in terms of Indian Accounting Standard (Ind AS-108) on "Operating Segments".

18) (i) The Company has tested Impairment on assets in detail as per Ind-As 36 and as a result of assessment/testing, there is no Impairment of Assets during the Financial Year 2020-21.

(ii) Vide gazette notification no. 26/2019 dated 20th March, 2019, Company was notified for the purposes of Section 194A(3)(iii)(f) of the Income Tax Act, 1961 for non-deduction of Tax at source.

19) The Company has discontinued acceptance/renewal of Public Deposits under its Public Deposit Scheme from 01st July, 2019. However, redemption of deposits already taken shall be made on due dates.

20) The Company has maintained 100% asset cover by way of charge on the receivables of the Company and/ or lien on deposits for all the secured bonds issued by the Company and outstanding as on 31st March, 2021.

21) The Company is a 'Large Corporate' as per criteria under SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018.

NOTE 40 : (Contd.)

Necessary disclosure has been made to the stock exchanges, where securities of the Company are listed, in this regard.

- 22) The Company makes full provision on doubtful debtors/ receivables which are outstanding for more than three years.
- 23) The Company has taken various office premises on cancellable operating lease basis with an option to renew the lease by mutual consent on mutually agreeable terms. The aggregate lease rentals payable is charged as office rent under Note No. 32- Other Expenses of the Statement of Profit & Loss. Further, there is no financial lease as Company's leasing arrangement does not transfer substantially all risks & rewards incidental to the ownership of an asset.
- 24) During the year under review, a provision for bad and doubtful debts under section 36(1)(viiia), of Income Tax Act 1961 equivalent to 5% of the taxable income (after allowing deduction u/s 36(1)(viii)), totaling to ₹ 89.00 crore has been created.
- 25) (a) The Company has declared an interim dividend of ₹ 150.14 crore @ ₹ 0.75/- per share of ₹ 10/- each, to its shareholders, for the FY 2020-21 after approval of Board of Directors in its meeting held on 18th March 2021. The same has been paid on 30th March 2021 to the Ministry of Housing & Urban affairs & Ministry of Rural Development GOI and on 9th April, 2021 to the Retail Public.
- (b) The Board of Directors at its meeting held on 29th June, 2021 has recommended a Final Dividend of ₹ 1.425/- per share of ₹ 10/- each, which is subject to approval of shareholders at the ensuing Annual General Meeting.
- 26) **Details of Expenditure / Earnings in foreign currency :**

(₹ in crore)

Particulars	2020-21	2019-20
Expenditure		
a) Travelling	-	0.20
b) Interest on foreign loan	3.30	6.88
Total Expenditure	3.30	7.08
Earnings		
a) Interest on overseas deposit	1.18	2.82

27) 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	2020-21	2019-20
Net Profit for the period attributable to equity shareholders (₹ in crore) (a)	1578.58	1708.42
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)	7.89	8.53

- 28) As per the Ind AS- 109, the impairment of the loan asset is being arrived by working out on Expected Credit Loss. The Project loans portfolio is segregated into Government and Non-Government segment. In case of government loans, it is segregated into Housing and UIF segment and non-government loans are segregated sector wise i.e. Building Material Industries, Core, Emerging, Energy, Roads And Transportation Value Added Real Estate And Social Housing. Further, all the loans are divided into three categories:-

- Stage – 1 - 0-30 days
- Stage – 2 - 31-90 days
- Stage – 3 - Above 90 days.

Summary of ECL as on 31st March, 2021

(₹ in crore)

Portfolio	Stage 1	Stage 2	Stage 3	Total
Government				
Govt- Housing	3.78	13.27	156.82	173.87
Govt- UIF	2.83	47.89	57.34	108.06
Govt - Total	6.61	61.16	214.16	281.93

NOTE 40 : (Contd.)

(₹ in crore)

Portfolio	Stage 1	Stage 2	Stage 3	Total
Non-Government				
BUILDING MATERIAL INDUSTRIES	-	-	12.51	12.51
CORE SECTOR	-	-	2.82	2.82
EMERGING SECTOR	-	-	349.88	349.88
ENERGY SECTOR	-	-	1515.37	1515.37
ROADS AND TRANSPORTATION SECTOR	-	-	97.47	97.47
VALUE ADDED REAL ESTATE	-	-	460.69	460.69
SOCIAL HOUSING SECTOR	-	-	13.32	13.32
Non Govt - Total	-	-	2,452.06	2,452.06
ECL on Loan Commitment	0.57	-	-	0.57
ECL on Interest Accrued	0.07			0.07
ECL on Project loans	7.25	61.16	2,666.22	2,734.63
ECL on Interest Accrued-HUDCO Niwas	0.01	-	-	0.01
ECL on Loan Commitment- HUDCO Niwas	0.01	-	-	0.01
ECL on HUDCO Niwas	0.21	0.16	18.76	19.13
Total ECL Niwas	0.23	0.16	18.76	19.15
Total ECL	7.48	61.32	2,684.98	2,753.78

29) Exit from Associate Companies:
(a) Signa Infrastructure India Ltd. (SIIL)

The Company has decided to exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e. SIIL and indicated the value of the shares (₹ 10 each) at ₹ 76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The Company has not responded to HUDCO offer. The Board of HUDCO was updated of the latest status and HUDCO Board in its meeting held on 19th December, 2019 decided that steps be taken for termination of joint venture agreement with M/s. Marg construction Ltd. (Promoter of Signa Infrastructure India Ltd) withdrawal of HUDCO Nominee Director and further action for dissolution (wind up) of JV Company on grounds of non-compliance of various statutory compliances. In pursuance of Board Decision, HUDCO Nominee Director has submitted his resignation to the Company.

(b) Pragati Social Infrastructure & Development Ltd.

The Company has decided to exit from the Associate Company (Pragati Social Infrastructure & Development Ltd.-PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filled petition to National Company Law Tribunal (NCLT), which is pending adjudication.

(c) Shristi Urban Infrastructure Development Ltd.

The Company had decided to exit from the Associate Company (Shristi Urban Infrastructure Development Ltd.-SUIDL) with Shristi Infrastructure Development Corporation Ltd. In pursuance of the Board's approval, the valuation of Associate Company is being carried out.

30) Valuation of Investment

The Company had invested ₹ 2.50 crore in the shares of the Indbank Housing Ltd. (IBHL) around 30 years back. Considering the fact that IBHL has highly negative Net Worth and meagre volume of trading in the share of the Company, even though market price of the share as on 31st March, 2021 is ₹ 32.10 per share (previous year ₹ 17.20 per share), HUDCO continues to reflect the investment of ₹ 2.50 crore in IBHL at diminished value of ₹ 1 only as on 31st March, 2021.

31) Related parties Disclosure :
(a) Associates

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

NOTE 40 : (Contd.)**(b) Key Management Personnel during the year 2020-21**

Sl. No.	Director(s)	Status
1	Shri. Shiva Das Meena, IAS	Chairman & Managing Director (Addl. Charge)- (from 21.04.2020 to 18.05.2020)
2.	Shri Kamran Rizvi, IAS	Chairman & Managing Director (Addl. Charge) (from 22.10.2020 to 21.04.2021)
3	Shri M. Nagaraj	Chairman & Managing Director (Addl. Charge)- (from 07.01.2020 to 06.04.2020) & (from 27.05.2020 to 26.08.2020)
		Director Corporate Planning (DCP) (Whole time Director) (w.e.f 01.02.2019)
4	Shri D. Guhan	Director Finance (DF) & Chief Financial Officer (Whole time Director) (w.e.f. 31.12.2019 - Afternoon)
5	Shri Harish Kumar Sharma	Company Secretary (w.e.f. 06.11.2013)

(c) Transactions with Associates:**Investment in Associates**

(₹ in crore)

Proportion of ownership	25%	40%	26%		
Nature of Transactions	Indbank Housing Ltd.	Shristi Urban Infrastructure Development Ltd.	Pragati Social Infrastructure & Development Ltd.	Signa Infrastructure India Ltd.	Total
Investments					
Balance as at 01.04.2020	2.50	2.00	0.13	0.01	4.64
Additions during the year	-	-	-	-	-
Deductions during the year	-	-	-	-	-
Balance as at 31.03.2021	2.50	2.00	0.13	0.01	4.64

(d) Transactions with Key Management Personnel:

- a. Shri M. Nagaraj, DCP, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2021.
- b. Shri D. Guhan, DF, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2021.
- c. Shri Harish Sharma, Company Secretary has taken the following advances in the ordinary course of business.
 - i. House Building loan of ₹ 0.22 crore (interest bearing) from the Company which was released in two tranches of ₹ 0.11 crore in December, 2016 and ₹ 0.11 crore in March, 2018. The balance outstanding as on 31st March, 2021 is ₹ 0.10 crore including interest accrued ₹ 0.02 crore (maximum outstanding during the period is ₹ 0.13 crore).
 - ii. Welfare Advance of ₹ 0.02 crore in February, 2021. The balance outstanding as on 31st March, 2021 is ₹ 0.02 crore including NIL interest accrued (maximum outstanding during the period is ₹ 0.02 crore).
 - iii. Festival Advance (interest free) of ₹ 0.01 crore in October, 2020. The balance outstanding as on 31st March, 2021 is ₹ 0.01 crore (maximum outstanding during the period is ₹ 0.01 crore).

NOTE 40 : (Contd.)
(e) Managerial Remuneration :

The remuneration of key management personnel and a relative of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

(₹ in crore)

	2020-21	2019-20
Short term employees benefits	1.26	2.39
Post-employment benefits#	0.21	0.37
Other long term benefits	-	-
Terminal benefits	-	-
TOTAL	1.47	2.76

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

(f) As per DPE letter dated 21st January, 2013, the Chairman and Managing Director and Whole Time Directors' are entitled to use staff car for private use upto 1,000 km. per month against payment of ₹ 2,000/- per month.

32) Information in relation to the interest of the Company in Associates:
a) Details of Associates

Name of the Company	Contribution towards equity (₹ in crore)	Country of Residence	Proportion of ownership
Shristi Urban Infrastructure Development Ltd.	2.00	India	40%
Pragati Social Infrastructure & Development Ltd.	0.13	India	26%
Signa Infrastructure India Ltd.	0.01	India	26%
Indbank Housing Ltd.	2.50	India	25%
Total	4.64		

b) The following table summarizes key information relevant to associate Shristi Urban Infrastructure Development Ltd.

(₹ in crore)

Particulars	31 st March, 2021*	31 st March, 2020
Cash and cash equivalents	0.07	0.18
Trade receivables	5.20	5.18
Property, plant and equipment	0.01	0.01
Capital work-in-progress	32.78	31.91
Other financial assets	0.53	0.53
Other current assets	0.25	0.25
Other non-current assets	1.27	14.99
Current tax assets	0.18	0.15
Provisions	(0.02)	(0.02)
Borrowings	(21.82)	(35.51)
Trade payable	(0.37)	(0.63)
Other liabilities	(14.40)	(13.17)
Net Assets	(3.68)	3.86
Profit after tax	(0.19)	(0.56)

*Based on the unaudited financial results of associate Company.

NOTE 40 : (Contd.)

Information in respect of Investments in Associate namely Pragati Social Infrastructure & Development Ltd, M/s. Signa Infrastructure India Ltd and Indbank Housing Limited has not been incorporated as HUDCO has decided to exit from the Associate and has provided for full diminution in the value of investment.

33) i) Corporate Social Responsibility

- a. The Company has formulated a CSR Policy in line with the guidelines issued by Department of Public Enterprise (DPE) vide its Office Memorandum No. CSR- 15/0008/2014-Dir (CSR) dated 01st August, 2016 and provisions of CSR in the Companies Act, 2013 with the approval of HUDCO's Board on the recommendations of Committee of Board.

As per Companies Act, 2013, Company approved allocation for CSR Budget for the FY 2020-21, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹ 34.46 crore. The amount spent during the year is ₹ 5.74 crore.

(₹ in crore)

S. No.	Particulars	Amount			
		2020-21		2019-20	
1.	Gross Amount of CSR required to be spent	34.46		27.67	
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	5.74	--	56.93	--

As per HUDCO's approved CSR Policy, 1st instalment of CSR assistance is released on completion of documentation and the subsequent instalments are released on receipt of utilization of certificate of the released CSR grant and after achieving physical/financial progress in the proposal. There has been a couple of cases where even after sanction of CSR Fund by HUDCO, documentation formalities were not completed by the agency and therefore the 1st instalment could not be released, as originally envisaged. In some of the cases, the agencies concerned could not achieve required physical/ financial progress and the due utilisation certificate for the CSR assistance released was not submitted by agencies. These factors result in delay/ time gap in incurring CSR expenditure.

- b. Companies (CSR Policy) Amendment Rules 2021 dated 22nd January, 2021 issued by Ministry of Corporate Affairs has notified that the Company hereafter follows the amended rules. The legislative intent of these amendment was to restrain the companies from using the funds earmarked for CSR projects for meeting their working capital requirements, hence the new rules made it mandatory for the companies to transfer the available funds including the undisbursed amount of the ongoing projects to a separate bank account. Accordingly, any amount remaining unspent pursuant to ongoing projects undertaken by a Company in pursuance of its CSR policy shall be transferred by the Company in the unspent CSR Account within a period of 30 days from the end of financial year. CSR amount transferred to the said account shall be spent by the Company in pursuance of its obligation towards CSR Policy within a period of three financial year from the date of such transfer. Thereafter, balance of unspent amount, if any, shall be transferred to a fund specified in Schedule VII mentioned under section 135 of Companies Act 2013, within a period of 30 days from the date of completion of the third financial year. Further, the unspent amount of other than on-going CSR projects will be transferred to a fund specified in schedule VII of the Act on or before 30th September, 2021. The Company has transferred unspent CSR Fund of ₹ 80.19 crore to separate bank account on 29th April, 2021.
- c. As per new amended CSR rules, 2021, total unspent CSR amount of ₹ 80.19 crore has been booked as CSR expenditure and corresponding liability as provision on CSR has been created as of 31st March, 2021.

(ii) Research & Development (R&D)

The Company had formulated a Research & Development (R&D) policy in line with the guidelines issued by the Department of Public Enterprises vide Office Memorandum No. 3(9)/ 2010-DPE (MoU) dated 20.09.2011. However, vide Office Memorandum No. M-05/0012/2014-DPE(MoU) dated 17th July, 2019, DPE informed that the guidelines prescribed vide above Office Memorandum dated 20.09.2011 have become redundant and stood withdrawn. The Board of Directors of HUDCO in its meeting held on 19.02.2020 noted the above development and has also approved to continue with HUDCO's own R&D policy formulated in 2012. The Board of Directors also approved to discontinue with earmarking 0.5% of PAT until the accumulated non-lapsable R&D funds are fully utilized. An amount of ₹ 9.97 crore as on 31st March, 2020 was available with HUDCO as non-lapsable R&D funds. During the FY 2020-21, an amount of ₹ 0.22 crore was spent on R&D projects.

NOTE 40 : (Contd.)

34) Additional Disclosure requirement as per NHB Directions

a) Capital to Risk Assets Ratio (CRAR)

Particulars		2020-21*	2019-20**
i)	CRAR (%)	64.01%	55.47%
ii)	CRAR - Tier I capital (%)	63.11%	55.03%
iii)	CRAR - Tier II Capital (%)	0.91%	0.43%
iv)	Amount of subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

*CRAR is prepared on yearly basis. CRAR as on 31st March, 2021 has been calculated based on provisional unaudited Ind-AS financial statements.

** Previous year's figures have been changed on the basis of audited accounts.

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

(₹ in crore)

Particulars	2020-21	2019-20
Balance at the beginning of the year		
(a) Statutory Reserve u/s 29C of the NHB Act,1987	4,795.19	4,295.19
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act,1987		
(c) Total	4,795.19	4,295.19
Addition / Appropriation / Withdrawal during the year		
Add:	440.00	500.00
(a) Amount transferred u/s 29C of the NHB Act,1987		
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act,1987		
Less:	-	-
(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	-	-
Balance at the end of the year		
(a) Statutory Reserve u/s 29C of the NHB Act,1987	5,235.19	4,795.19
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act,1987		
(c) Total	5,235.19	4,795.19

c) Investments

(₹ in crore)

Particulars	2020-21	2019-20
3.5.1. Value of Investments		
(i) Gross value of Investments		
(a) In India	253.98	236.62
(b) Outside India	-	-
(ii) Provisions for Depreciation		

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	2020-21	2019-20
(a) In India	3.11	3.11
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	250.87	233.51
(b) Outside India	-	-
3.5.2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	3.11	3.11
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/Written-back of excess provisions during the year	-	-
(iv) Closing balance	3.11	3.11

d) Derivatives**i. Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)**

(₹ in crore)

Particulars	2020-21	2019-20
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counter parties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

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 st March, 2021 (instrument-wise)	NIL
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL

iii) Disclosures on Risk Exposure in Derivatives**A. Qualitative Disclosure**

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.

B. 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.

NOTE 40 : (Contd.)

- (b) These derivative transactions are done for hedging purpose and not for trading or speculative purpose.
- (c) Reference may be drawn to Sub point No. 4.6 of para 4 of Notes forming part of accounts under Significant Accounting Policies for relevant accounting policy on Transactions in Foreign Currency.

c. Quantitative Disclosure

(₹ in crore)

Particulars	Currency Derivatives* 2020-21	Interest Rate Derivatives 2020-21
(i) Derivatives (Notional Principal Amount)	10.30	-
(ii) Marked to Market Positions [1] **		-
(a) Assets(+)	0.66	-
(b) Liability(-)		
(iii) Credit Exposure [2]	0.66	-
(iv) Unhedged Exposures	116.57	-

* Swap arrangement entered into with Bank of India and Exim Bank in respect of foreign currency loans availed from ADB and USAID have not been considered as Currency Derivatives. Only the Currency Swap entered into by the Company with ICICI Bank in respect of USAID-II loan has been considered as Currency Derivative.

** The mark to market positions mentioned above are those as informed by the counterparties (generally banks).

e) Securitisation: (NHB)

i) Outstanding Amount of Securitised assets for originating HFCs.

S. No	Particulars	No./Account
1	No. of SPVs sponsored by the HFC for securitization transactions*	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	2020-21	2019-20
(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

NOTE 40 : (Contd.)**iii) Details of Assignment transactions undertaken by HFCs**

Particulars	2020-21	2019-20
(i) No. of accounts	NIL	NIL
(ii) Aggregate value (net of provisions) of accounts assigned	NIL	NIL
(iii) Aggregate consideration	NIL	NIL
(iv) Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
(v) Aggregate gain / loss over net book value	NIL	NIL

iv) Details of non-performing financial assets purchased / sold**A. Details of non-performing financial assets purchased**

Particulars	2020-21	2019-20
(a) No. of accounts purchased during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL
(c) Of these, number of accounts restructured during the year	NIL	NIL
(d) Aggregate outstanding	NIL	NIL

B. Details of non-performing financial assets sold

Particulars	2020-21	2019-20
1. No. of accounts sold	NIL	NIL
2. Aggregate outstanding	NIL	NIL
3. Aggregate consideration received	NIL	NIL

f) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in crore)

Particulars	Up to 30/31 days (one month)	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years & upto 7 years	Over 7 years & up to 10 years	Over 10 Years	Total
Liabilities											
Deposits	2.18	1.83	2.54	5.19	7.11	3.86	0.06	-	-	-	22.77
Borrowings from Bank	-	-	6.03	66.31	138.84	1,830.86	483.73	132.86	-	-	2,658.63
Market Borrowing	1,135.00	100.00	1,512.72	-	3,369.91	17,787.86	2,487.68	4,026.93	26,553.93	1,083.52	58,057.55
Foreign Currency Liabilities	-	-	29.57	18.56	49.04	81.25	19.06	19.06	22.47	-	239.01
Assets											
Advances	63.53	1,856.88	195.00	1,456.35	2,857.34	11,219.23	9,998.72	9,134.03	30,111.47	7,399.34	74,291.89
Investments	7.59									243.31	250.90
Foreign Currency Assets	-	-	14.88	-	15.24	15.72	-	-	-	-	45.84

*Mismatches, if any, are supported by committed/undrawn working capital limits from banks.

NOTE 40 : (Contd.)
g) Exposure
i) Exposure to Real Estate Sector

(₹ in crore)

Category		2020-21	2019-20
a)	Direct Exposure		
	(i) Residential Mortgages-		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)	54.65	67.14
	(ii) Commercial Real Estate-		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits:	1,130.75	1,152.78
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures-		
	a) Residential	-	-
	b) Commercial Real Estate	-	-
b)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

ii) Exposure to Capital Market

(₹ in crore)

Particulars	2020-21	2019-20
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (At Cost)	46.75	46.75
(ii) Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	NIL
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/ convertible debentures/ units of equity oriented mutual funds' does not fully cover the advances;	NIL	NIL
(v) Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers;	NIL	NIL
(vi) Loans sanctioned to corporate against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
(vii) Bridge loans to companies against expected equity flows/issues;	NIL	NIL
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market	46.75	46.75

NOTE 40 : (Contd.)

(iii) **Details of financing of parent Company products:** Not Applicable on Company

h) **Disclosure of Penalties imposed by NHB and other regulators :** No penalty has been levied.

i) **Rating assigned by Credit Rating Agencies and migration of rating during the year**

- i. The credit rating of HUDCO's domestic debt instrument(s) and Banking Sector Loan(s)/Facilities reaffirmed as "AAA-Stable" (Long term) and "A1+" (Short term) – the highest rating on Standalone basis by the three credit rating agencies, viz., M/s India Ratings and Research Private Ltd (IRRPL), M/s CARE Ratings and ICRA Ratings.
- ii. During the financial Year 2020-21, two International Credit Rating agencies viz., Fitch and Moody's has awarded "BBB-with Negative Outlook" and "Baa3 with Negative Outlook" respectively of the Company. Each of the above credit ratings is equivalent to India's sovereign rating, and is of Investment grade.

j) **Change in Accounting Policies**

During the year 2020-21, some of the accounting policies have been modified and one new accounting policy on capital work-in-progress has been added and all of the said changes are only clarificatory in nature and does not have any financial impact.

The details of the changes is as given below:

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
4.	Significant accounting policies		
4.1	Statement of Compliance	Statement of Compliance	
	The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1 st April 2017.	The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended).	The last sentence i.e., 'The date of transition to Ind AS is 1 st April 2017.' has been deleted. Change is only clarificatory and has no financial impact.
4.9	Investment properties	Investment properties – Ind as 40	Change is only clarificatory in the heading and has no financial impact.
	The Company has elected to continue with the carrying value for all of its investment property as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 01 st April 2017 as per Ind AS 40- 'Investment Property'.	----	The para has been deleted as this is of no more relevance as on date. Change is only clarificatory and has no financial impact.
4.10	Property, Plant and Equipment (PPE) and Intangible assets	Property, Plant and Equipment (PPE) and Intangible assets	
	Recognition On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at 31 March 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1 st April 2017.	Recognition The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1 st April 2017.	Change involves only literature change and thus is only clarificatory and has no financial impact.

NOTE 40 : (Contd.)

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
4.12	No Policy	Capital-work in Progress	
	--	Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct and related incidental expenses. Intangible assets under development Intangible assets not ready for the intended use on the date of Balance sheet are disclosed as Intangible assets under development.	The new policy is only clarificatory in nature and has no financial impact.
4.13	Leases	Leases	
b)	As a lessor When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. The Company recognizes lease payments received under operating lease as income on a straight-line basis over unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".	As a lessor When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. The Company recognizes lease payments received under operating lease as income on a straight-line basis over the term of relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".	Addition of words "over the term of relevant lease" is only clarificatory and has no financial impact.
b)	The Company's obligation towards sick leave, earned leave, leave travel concession, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.	The Company's obligation towards sick leave, earned leave, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.	The words 'leave travel concession' has been deleted, since not applicable. Change is only clarificatory and has no financial impact.
4.20	Taxes	Taxes- Ind AS 12	Change is only clarificatory in the heading and has no financial impact.
	Current income tax Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.	Current income tax Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.	

NOTE 40 : (Contd.)

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
	Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). In respect of disputed income tax / interest tax / wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.	Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). In respect of disputed income tax/ wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.	The words 'interest tax' has been deleted, since there are no interest tax cases pending as on date. Change is only clarificatory and has no financial impact.
4.21	Dividend and Tax on Dividend	Dividend	Change is only clarificatory in the heading and has no financial impact since the change has been necessitated because of change in Taxation Law pertaining to taxes on Dividend.
	The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.	Proposed final dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.	Change in the language is only clarificatory and has no financial impact.
4.23	Contingent liabilities and assets	Contingent liabilities and assets	
	Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable and recognised when realization of income is virtually certain.	Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.	Change is only clarificatory and has no financial impact.
5.5	Significant accounting Judgements, Estimates and Assumptions	Significant accounting Judgements, Estimates and Assumptions	
	The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.	The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.	As it is covered in 4.21 and 4.22 and this policy is about Judgements and estimates, so para deleted.

NOTE 40 : (Contd.)

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
	<p>When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.</p> <p>Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.</p>	<p>Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.</p>	Change is only clarificatory and has no financial impact.
5.8	--	Impact of Covid-19 Outbreak - The extent to which the Covid-19 pandemic will impact the Company will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Govt. or the Company to contain its spread or mitigate its impact	The said disclosure on account of COVID is only clarificatory/informative in nature and has no financial impact

k) Provision and Contingencies

(₹ in crore)

S. No.	Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	2020-21	2019-20
1	Provisions for depreciation	-	-
2	Provision made towards Income tax	427.50	453.00
3	Provision towards NPA*	74.02	(375.90)
4	Provision for Standard Assets *		
	i) Commercial Real Estate (Residential Housing) - CRE-RH	(4.17)	(1.07)
	ii) Commercial Real Estate-- CRE	(0.85)	1.64
	iii) Other than CRE & CRE-RH	(0.83)	17.54
	iv) Others (special dispensation by NHB)	-	(29.26)
	v) Investment in unquoted Bonds	-	-
5	Other Provision and Contingencies		
	A. Provision for Employee Benefit		
	i) Leave Encashment	2.09	7.92
	ii) Post-Retirement medical benefit	13.23	14.79
	iii) Welfare expenses	0.04	0.13
	iv) Gratuity	(3.31)	1.41
	v) Provident Fund	18.77	16.44
	B. Provision on Debtors/ recoverable, other loans and advances	0.49	0.59

*The figures reported above are as per NHB Provision, however the same is not appearing in the Profit & Loss due to application of ECL as per Ind As norms.

NOTE 40 : (Contd.)**l) Concentration of Public Deposits, Advances, Exposures and NPAs****i. Concentration of Public Deposits***

Particulars	2020-21	2019-20
Total Deposits of twenty largest depositors (₹ in crore)	15.24	139.78
Percentage of Deposits of twenty largest depositors to Total Advances of the HFC Total Deposits of the HFC	66.87%	82.90%

*The Company has discontinued acceptance/ renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019.

ii. Concentration of Loans & Advances

Particulars	2020-21	2019-20
Total Loans & Advances to twenty largest borrowers (₹ in crore)	62,517.43	61,547.56
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	82.80%	80.38%

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

Particulars	2020-21	2019-20
Total Exposure to twenty largest borrowers / Customers (₹ in crore)	67,367.75	67,560.46
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/customers	82.96%	76.61%

iv. Concentration of NPAs

(₹ in crore)

Particulars	2020-21	2019-20
Total Exposure to top ten NPA accounts	2,291.74	2,204.85

v. Sector wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		2020-21	2019-20
A.	Housing Loans:		
1.	Individuals	17.52%	15.31%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	100.00%	100.00%
4.	Others (specify)	0.88%	0.09%
B.	Non-Housing Loans:		
1.	Individuals	0.00%	0.00%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates#	85.03%	93.28%
4.	Others (specify)	1.80%	1.67%

Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.

m) Movement of NPAs

(₹ in crore)

Particulars	2020-21	2019-20
(I) Net NPAs to Net Advances (%)	0.61%	0.19%
(II) Movement of NPAs (Gross)#		
a) Opening balance	2,445.07	2,804.01
b) Additions during the year	362.47	143.78

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	2020-21	2019-20
c) Reductions during the year	50.66	502.72
d) Closing balance	2,756.89	2,445.07
(III) Movement of Net NPAs		
a) Opening balance	209.04	192.06
b) Additions during the year	246.65	122.21
c) Reductions during the year	8.86	105.23
d) Closing balance	446.83	209.04
(IV) Movement of provisions for NPAs		
(excluding provisions on standard assets)		
a) Opening balance	2,236.04	2,611.94
b) Provisions made during the year	114.92	20.85
c) Write-off/write-back of excess provisions	40.90	396.75
d) Closing balance	2,310.06	2,236.04

#Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.

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

(₹ in crore)

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	2020-21	2019-20	2020-21	2019-20
Standard Assets*				
a) Total Outstanding Amount	46,008.55	44,544.42	27,689.78	30,224.61
b) Provisions made	190.37	186.31	118.03	127.94
Sub-Standard Assets				
a) Total Outstanding Amount	362.52	0.84	–	143.05
b) Provisions made	54.38	0.13	–	21.46
Doubtful Assets – Category-I				
a) Total Outstanding Amount	0.52	0.16	143.05	3.70
b) Provisions made	0.13	0.04	35.76	0.93
Doubtful Assets – Category-II				
a) Total Outstanding Amount	0.39	0.48	103.69	184.83
b) Provisions made	0.16	0.19	72.91	101.28
Doubtful Assets – Category-III				
a) Total Outstanding Amount	152.61	153.88	1,971.53 #	1,935.36 #
b) Provisions made	152.61	153.88	1,971.53	1,935.36
Loss Assets				
a) Total Outstanding Amount	22.59	22.63	–	0.16
b) Provisions made	22.59	22.63	–	0.16
TOTAL				
a) Total Outstanding Amount	46,547.18	44,722.41	29,908.05	32,491.72
b) Provisions made	420.23	363.17	2,198.24	2,187.13
c) Additional Provision made	–	–	297.12	482.57
d) Total Provision made	420.23	363.17	2,495.36	2,669.70

* Includes Interest Accrued Figures also

Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order

NOTE 40 : (Contd.)**o) Overseas Assets**

Particulars	2020-21		2019-20	
	(₹ in crore)	(US \$ in Millions)	(₹ in crore)	(US \$ in Millions)
Bank Deposits - Under lien with Bank of India, Cayman Islands branch, USA	45.75	6.22	75.88	10.07

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

No SPV has been sponsored by the Company

q) Customers Complaints

Particulars	2020-21	2019-20
a) No. of complaints pending at the beginning of the year	0	2
b) No. of complaints received during the year	1867	1358
c) No. of complaints redressed during the year	1866	1360
d) No. of complaints pending at the end of the year	1	0

r) There are no advances outstanding for which intangible securities such as charge over the rights, licences, authority etc. has been taken.

s) The Company has not extended any loan/advances against gold as collateral security.

35) (a) Figures of the previous period have been regrouped/ rearranged/ re-casted wherever considered necessary to make them comparable with figures for current year.

(b) Figures in rupees have been rounded off to crore without decimals except where specifically indicated.

For and on behalf of the Board

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

As per our Separate report of even date attached

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

Sd/-
Rajan Uppal
Partner
(Membership No. 097379)

Place of signature : New Delhi
Date : 29th June, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Housing and Urban Development Corporation Limited (hereinafter referred to as the 'the Company') and of its associate (collectively known as "Consolidating Company"), which comprise of the Consolidated Balance Sheet as at 31st March, 2021 and the Consolidated Statement of Profit and Loss (including other Comprehensive Income), Consolidated statement of changes in equity and the Consolidated Cash Flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate as at 31st March, 2021, of consolidated Profit and Total Consolidated Comprehensive Income, Consolidated Changes in equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matter

4. We draw attention to the following matter in the Notes to the Consolidated financial statements:
 - i) The Company has recognised interest income on "No Lien AGP Account" amounting to Rs 27.59 crore [Rs. 27.20 crore for the previous year ended 31st March 2020] for the year ended 31st March 2021. The same has been shown in Note 28 (Other Income) under head 'Interest on Construction Project'.

The balance outstanding as at the end of the year is Rs. 493.33 crore (debit) in "No Lien AGP Account". The Company is in discussion with MoHUA for recovery/reimbursement of outstanding amount including interest as well as booking of expenses. [Refer Para 4 of Note 40]

Our opinion is not modified in respect of this matter.
 - ii) We draw your attention to Para 9 of Note 40 to the Consolidated financial results which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the Covid-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve in the subsequent period.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Sr. No	Key Audit Matter	Auditor's Response
1.	<p>Ind AS 109 on Financial Instruments establishes a comprehensive framework for determining expected credit losses, accuracy of classification, recognition, de-recognition and measurement requirements for all the financial assets and liabilities. Considering the materiality of the amounts involved, possible effect from the pandemic Covid-19, the significant management judgment required in estimating the expected credit losses as well as measuring Financial Assets and Financial Liabilities and such estimates and judgments being inherently subjective, this matter has been identified as a key audit matter for the current year audit.</p> <p>(Refer Notes No : 6, 7, 8, 9, 10, 11, 12, 16, 17, 18, 19, 20, 33, 36, 37 and 40 to consolidated financial statements)</p>	<p><u>Principal Audit Procedures</u></p> <p>Our procedures included, but were not limited to the following:</p> <p>Our Audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating Expected credit losses (ECL), recognition, de-recognition and measurement of Financial Assets and Financial Liabilities, for classifying financial assets portfolio into stages based on credit risk. Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the expected credit losses and measuring Financial Assets and Financial Liabilities. Selected the sample and tested the operating effectiveness of the internal control, relating to recognition, measurement and de-recognition of, financial assets and financial liabilities and calculation of ECL. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording financial assets/ liabilities and calculation of ECL in accordance with the said Ind AS. Tested the appropriate staging of assets basis, their days past due and other loss indicators on sample basis.

Other Information

6. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report for the year ending 31st March 2021 is expected to be made available to us after the date of this auditor's report.

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

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

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

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

7. The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are responsible and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors' of the Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associate are responsible for assessing the ability of the Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. The respective Board of Directors of the Company and of its associate are responsible for overseeing the financial reporting process of the group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements.

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

Other Matters

15. The consolidated financial statements also include the Group's share of net loss of Rs. 0.08 crore for the year ended 31st March 2021, as considered in the consolidated financial statements, in respect of one associate, whose financial statements/ information have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on

the consolidated financial statement, in so far as its relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements / financial information. In our opinion and according to the Information and explanation give to us by the management, these financial statements/ financial information are not material to the Consolidating Company.

Our opinion on the consolidated financial statements, and our report on other legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

16. As required by section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and our reliance on the consolidated financial statements /financial information certified by the management of the Company.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and loss, and the consolidated statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purposes of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act.
- e) The provisions of section 164(2) of the Companies Act, 2013 in respect of disqualifications of directors are not applicable to the Company being Government Company in terms of Notification no. G.S.R. 463(E) dated 5th June, 2015 issued by the Ministry of Corporate affairs.
- f) With respect of the adequacy of the Internal Financial Controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i). The Consolidated financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group and its associate (**Refer Para 3 of Note 40 to consolidated financial statement**).
 - ii) The Company does not have any material foreseeable losses, if any, on long terms contracts including derivative contracts; (**Refer Para 34 of Note 40 to consolidated financial statement**)
 - iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protections Fund by the Company. However, in case of associate Company, incorporated in India, the same can't be commented in view of non-availability of audited accounts (**Refer Para 16 of Note 40 to consolidated financial statement**).

NHB/RBI Directions

17. The Company is complying with **National Housing Bank's (NHB)/ Reserve Bank of India's (RBI)** credit concentration norms in respect of loans to Private Sector Agencies. However, in case of loans to State Governments / State Governments Agencies/Central Government Agencies, the said norms have been relaxed by the NHB/RBI vide various letters (**Refer Para no. 14 of Note No. 40 to consolidated financial statements**); the same is complied with except in case of Investment in equity shares of Housing Finance Company Ind bank Housing Limited (**Investee Company**) where investment in **25%** of equity capital of investee Company has been made instead of prescribed limit of **15%**.

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. : 097379)
UDIN: 21097379AAAAACR1468

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31ST, 2021

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31ST, 2021, we have audited the internal financial controls over financial reporting of **HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED** ('the Company') and of its associate, which is a Company incorporated in India, as of that date (hereinafter referred to as "**Consolidating Company**").

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial

control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2021, based on the internal control over financial reporting criteria established by the Consolidating Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

However, in case of its associate, which is Company incorporated in India, where the financial statements/ financial information are unaudited and certified by the Management, we are not in a position to offer our comments on the adequacy and operating effectiveness of internal financial control over financial reporting of the said associate.

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

Sd/-
Rajan Uppal
Partner
 (Membership No. : 097379)
 UDIN: 21097379AAAAACR1468

Place of signature : New Delhi
 Date : 29th June, 2021

Annexure-III

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of Housing and Urban Development Corporation Limited for the year ended 31st March, 2021; in accordance with the directions / sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions / Sub-directions issued to us.

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

Sd/-
Rajan Uppal
Partner
 (Membership No. : 097379)

Place of signature : New Delhi
 Date : 29th June, 2021

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in crore)

S.No.	PARTICULARS	NOTE No.	As at 31 st March, 2021	As at 31 st March, 2020
I	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	6	1,286.12	222.67
(b)	Bank Balance other than (a) above	7	141.28	200.14
(c)	Derivative Financial Instruments	8	0.66	1.61
(d)	Receivables	9		
	- Trade Receivables		7.93	6.24
	- Other Receivables		3.89	5.22
(e)	Loans	10	74,291.89	74,267.92
(f)	Investments	11	248.87	231.51
(g)	Investment in Associate	11	0.69	0.77
(h)	Other Financial Assets	12	501.94	697.90
	Sub Total (1)		76,483.27	75,633.98
2	Non-Financial Assets			
(a)	Current Tax Assets (Net)	13	-	1.99
(b)	Investment Property	14A	18.62	19.28
(c)	Property, Plant and Equipment	14B	62.58	45.27
(d)	Capital Work-in-Progress	14C	17.49	51.56
(e)	Intangible Assets under Development	14D	21.15	-
(f)	Other Intangible Assets	14E	0.31	0.28
(g)	Other Non-Financial Assets	15	354.32	373.40
	Sub Total (2)		474.47	491.78
	TOTAL ASSETS (1+2)		76,957.74	76,125.76
II	LIABILITIES AND EQUITY			
A	Liabilities			
1	Financial Liabilities			
(a)	Derivative Financial Instruments	8	-	-
(b)	Payables	16		
(i)	Trade Payable			
	- Total outstanding dues of MSME		-	-
	- Total outstanding dues of creditors other than MSME		0.10	0.11
(ii)	Other Payables			
	- Total outstanding dues of MSME		0.39	0.09
	- Total outstanding dues of creditors other than MSME		11.73	17.39
(c)	Debt Securities	17	58,057.55	53,991.49
(d)	Borrowings	18	2,897.64	7,276.65
(e)	Deposits	19	22.77	168.47
(f)	Other Financial Liabilities	20	1,729.32	1,639.42
	Sub Total (A-1)		62,719.50	63,093.62
2	Non-Financial Liabilities			
(a)	Current Tax Liabilities (Net)	13	8.41	-
(b)	Provisions	21	332.82	220.65
(c)	Deferred Tax Liabilities (Net)	22	633.68	413.55
(d)	Other Non-Financial Liabilities	23	75.59	55.68
	Sub Total (A-2)		1,050.50	689.88
	Sub Total (A)		63,770.00	63,783.50
B	Equity			
(a)	Equity Share Capital	24	2,001.90	2,001.90
(b)	Other Equity	25	11,185.84	10,340.36
	Sub Total (B)		13,187.74	12,342.26
	TOTAL LIABILITIES AND EQUITY (A+B)		76,957.74	76,125.76
Notes to Accounts		1 to 40		
Note: The Notes referred to above form an integral part of the Financial Statements				

For and on behalf of the Board

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

As per our Separate report of even date attached

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

Sd/-
Rajan Uppal
Partner
(Membership No. 097379)

Place of signature : New Delhi
Date : 29th June, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2021

(₹ in crore)

S.No.	PARTICULARS	NOTE No.	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
I	INCOME			
A	Revenue from Operations			
(a)	Interest Income	26	7,172.62	7,482.57
(b)	Dividend Income		3.44	3.79
(c)	Rental Income	14A	40.60	35.54
(d)	Fees and Commission Income		6.39	6.27
(e)	Net Gain on Fair Value changes	27	8.82	-
(f)	Sale of Services		2.71	3.95
	Total Revenue from Operations (A)		7,234.58	7,532.12
B	Other Income	28	43.15	39.52
	Total Income I (A+B)		7,277.73	7,571.64
II	EXPENSES			
(a)	Finance Cost	29	4,764.82	4,847.81
(b)	Fees and Commission Expense		2.03	2.55
(c)	Net Loss on Fair Value Changes	27	-	19.21
(d)	Employee Benefit Expense	30	206.25	239.02
(e)	Impairment on Financial Instruments	31	(73.63)	155.76
(f)	Depreciation, Amortization & Impairment	14A,B&E	6.98	5.71
(g)	Corporate Social Responsibilities	40(33)(i)	85.93	56.93
(h)	Other Expenses	32	56.71	70.12
	Total Expenses II		5,049.09	5,397.11
III	Profit/ (Loss) Before Tax and share of profit/(Loss) in Associate (I-II)		2,228.64	2,174.53
IV	Share of profit/(Loss) of Associate (Net of Tax)		(0.08)	(0.22)
V	Profit/(Loss) before Tax (III-IV)		2,228.56	2,174.31
VI	Tax Expense:			
(i)	Current Tax		427.50	453.00
(ii)	Deferred Tax		226.64	14.91
(iii)	Adjustment of tax of earlier years (Net)		(4.08)	(1.80)
	Total Tax Expenses VI (i+ii+iii)		650.06	466.11
VII	Profit/ (Loss) for the Period		1,578.50	1,708.20
VIII	Other Comprehensive Income			
A (i)	Items that will not be reclassified to profit or loss (specify items and amounts)			
	Re-measurement gains (losses) on defined benefit plans		(25.88)	(22.24)
(ii)	Income tax relating to items that will not be reclassified to profit or loss		6.51	5.60
	Sub-total (A)		(19.37)	(16.64)
B (i)	Items that will be reclassified to profit and loss (specify items and amounts)		-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub-total (B)		-	-
	Other Comprehensive Income (A + B)		(19.37)	(16.64)
IX	Total Comprehensive Income for the period		1,559.13	1,691.56
	Earnings per equity share (for continuing operations)			
	Basic (₹)		7.89	8.53
	Diluted (₹)		7.89	8.53

Notes to Accounts

Note: The Notes referred to above form an integral part of the Financial Statements

1 to 40**For and on behalf of the Board**

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

As per our Separate report of even date attached

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. 097379)

STATEMENT OF CHANGES IN EQUITY

(a) Equity Share Capital

Equity share of ₹ 10/- each fully Issued, Subscribed and Paid up	₹ in crore
As at 31 st March, 2020	2,001.90
As at 31 st March, 2021	2,001.90

(b) Other Equity

(₹ in crore)

S.No.	Particulars	Reserves and Surplus								Total
		Securities Premium (Bonds)*	Statutory Reserves			Other Reserves			Retained Earning	
			Debtenture/ Bond Redemption Reserve**	Special Reserve ***	Impairment Reserve#	Capital (KfW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	General Reserve	Surplus
1	Balance as on 01 st April, 2019	1.26	2,997.21	4,295.19	-	59.96	72.07	86.86	1,405.08	35.67
	Final Dividend for the year 2018-19									(30.03)
	Dividend Distribution Tax on above.									(6.17)
	Profit during FY 2019-20									1,708.20
	Other Comprehensive Income for the year 2019-20									(16.64)
	Total Comprehensive Income for the year 2019-20									1,691.56
	Transferred from Surplus to DRR		439.83							(439.83)
	Transferred from Surplus to Reserve for Bad & Doubtful Debt							93.08		(93.08)
	Transferred from Surplus to Special Reserve			500.00						(500.00)
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver							(86.86)		-
	Interim Dividend during FY 2019-20									(150.14)
	Dividend Distribution Tax on above									(30.86)
2	Balance as at 01 st April, 2020	1.26	3,437.04	4,795.19	-	59.96	72.07	93.08	1,405.08	477.12
	Final Dividend for 2019-20									(470.44)
	Profit during FY 2020-21									1,578.50
	Other Comprehensive Income for the year 2020-21									(19.37)
	Total Comprehensive Income for the year 2020-21									1,559.13
	Transferred from Surplus to Impairment Reserve				161.81					(161.81)
										-

		Reserves and Surplus										(₹ in crore)
S.No.	Particulars	Statutory Reserves				Other Reserves				Retained Earning		Total
		Securities Premium (Bonds)*	Debenture/ Bond Redemption Reserve**	Special Reserve ***	Impairment Reserve#	Capital (KfW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	General Reserve	Surplus		
	Transferred from Surplus to DRR		439.83								(439.83)	-
	Transferred from Surplus to Reserve for Bad & Doubtful Debt							89.00			(89.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver							(93.08)			-	(93.08)
	Transferred from Surplus to Special Reserve			440.00							(440.00)	-
	Interim Dividend during FY 2020-21										(150.14)	(150.14)
3	Balance as at 31 st March, 2021	1.26	3,876.87	5,235.19	161.81	59.96	72.07	89.00	1,405.08	285.03	11,185.84	
* Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement.												
1.) Prior to the issuance of circular No. 04/2013 dated 11.02.2013, issued by the Ministry of Corporate Affairs (MCA), the Company had to create a Debenture / Bond Redemption Reserve (DRR / BRR) equivalent to 50% of the value of bonds issued (based on repayment tenure of respective bonds) through public issue, before the commencement of redemption of respective bonds as per the then prevalent SEBI Debt Regulations and Section 117 C of the Companies Act, 1956. The creation of DRR / BRR was revised to 25% after issuance of the above circular.												
2.) The Company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, 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.												
Created u/s 36(1) (viii) of the Income Tax Act, 1961 and u/s 29C of NHB Act, 1987 (upto Financial Year 1996-97) amounting to ₹ 181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹ 5053.44 crore.												
# Refer Point no. 6 of Explanatory Note 40.												
Notes to Accounts 1 to 40												
Note: The Notes referred to above form an integral part of the Financial Statements												
For and on behalf of the Board												
Sd/- Harish Kumar Sharma Company Secretary ACS 6557		Sd/- D. Guhan Director Finance & Chief Financial Officer DIN 06757569				Sd/- M. Nagaraj Director Corporate Planning DIN 05184848						
As per our Separate report of even date attached												
For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)												
Sd/- Rajan Uppal Partner (Membership No. 097379)												
Place of signature : New Delhi Date : 29 th June, 2021												

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2021

(₹ in crore)

S. No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
A	Operating activities		
	Profit before tax	2,228.64	2,174.53
	Adjustments to reconcile profit before tax to net cash flows:		
(i)	Depreciation & amortisation	6.98	5.71
(ii)	Impairment on financial instruments	(73.63)	155.76
(iii)	Unrealised foreign exchange gain/loss and EIR on borrowings	3.82	6.26
(iv)	Unrealised loss/ (gain) on investment held for trading & Derivatives	(9.77)	5.53
(v)	Change in the fair value of hedged item	0.95	13.68
(vi)	Dividend income	(3.44)	(3.79)
(vii)	Interest on investments	(0.48)	(21.88)
(viii)	Provision for employee benefits and CSR	85.13	18.45
(ix)	Provision for Interest under Income Tax Act	0.50	2.00
(x)	Loss/ (Profit) on sale of Fixed Assets (Net)	-	(0.01)
(xi)	EIR on Advances	9.58	3.75
(xii)	Discounting of security deposit and deposit for services	-	(0.05)
(xiii)	Discounting of Interest Income on Staff Advances	(2.63)	(2.66)
(xiv)	Discounting of Employee cost of Staff advances	2.38	2.27
	Operating Profit before Working capital changes	2,248.03	2,359.55
	Working capital changes		
(i)	Loans	(52.50)	(3,549.98)
(ii)	Trade receivables, financial and non-financial assets	274.47	25.12
(iii)	Liabilities and provisions	110.50	286.05
	Sub Total	332.47	(3,238.81)
	Income tax paid (Net of refunds)	(419.59)	(456.99)
	Net cash flows from/(used in) operating activities - A	2,160.91	(1,336.25)
B	Investing activities		
(i)	Purchase of fixed and intangible assets	(10.83)	(15.49)
(ii)	Proceeds from sale of property and equipment	0.09	2.58
(iii)	Investments at fair value through Profit and Loss	(7.11)	91.76
(iv)	Dividend received	3.44	3.79
	Net cash flows from/(used in) investing activities - B	(14.41)	82.64
C	Financing activities		
(i)	Change in borrowings	(462.47)	1,582.39
(ii)	Dividends paid including DDT	(620.58)	(217.21)
	Net cash flows from financing activities - C	(1,083.05)	1,365.18
D	Net increase in cash and cash equivalents (A+B+C)	1,063.45	111.57
	Cash and cash equivalents at 1 st April, 2020	222.67	111.10
	Cash and cash equivalents at 31st March, 2021	1,286.12	222.67
	Components of Cash & Cash Equivalents		
A	Cash & Cash Equivalents		
(i)	Cash & Revenue Stamps in hand	-	-
(ii)	Imprest	-	-
(iii)	Bank Deposits (3 months and less than 3 months)*	1,228.89	176.86
(iv)	Balances in Current Account with		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks*	57.21	45.79
	- Demand Drafts in hand	-	-
	Total	1,286.12	222.67
	* Earmarked balances in cash & cash equivalents are ₹ 52.20 crore (previous year ₹ 188.46 crore)		
Note:	Cash Flows has been prepared using Indirect Method whereby profit for the year is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash flows are separated into operating, investing and financing activities		

For and on behalf of the Board

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

As per our Separate report of even date attached

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

Place of signature : New Delhi
Date : 29th June, 2021

Sd/-
Rajan Uppal
Partner
(Membership No. 097379)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Housing and Urban Development Corporation Limited is a listed public limited Company (Government of India undertaking) domiciled in India and incorporated on 25th April, 1970 under the provisions of Companies Act, 1956. The Company's registered office is at Core 7A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003. The Company is a Housing Finance Company ('HFC') registered with the National Housing Bank ('NHB'). The Company is primarily engaged in the business of financing Housing and Urban development activities in the country.

The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB. RBI has issued notification dated October 22, 2020, on regulatory frame work for HFCs, by which the definition of HFCs has undergone a change. RBI has granted 6 months' time for transition to NBFC and to continue operations with the special dispensations/ relaxations given earlier with regard to credit concentration norms/ exposure norms permitted by NHB/ RBI. HUDCO is in the process of seeking fresh registration under RBI (Refer Point no.13 of Note 40 to the Notes to Accounts).

In case of Associate Company, Shristi Urban Infrastructure Development Corporation Ltd. (SUIDCL), the Company was incorporated on 20th June 2005 with ownership right in the ratio of 60:40 between Shristi Infrastructure Development Corporation Ltd., (SIDCL) and Housing and Urban Development Corporation Ltd., (HUDCO) respectively. In order to promote, establish, monitor, collaborate, construct, either through public and /or private participation, and to act as special purpose vehicle (SPV) for entering into understanding and Associates with various Central and State Govts, their corporation, technology and domain experts, in and outside India, for development creation, expansion and modernisation of housing, commercial, social and urban development facilities. Further, the shares held by SIDCL got transferred to Shristi Housing Development Ltd. w.e.f. 31.03.2009. Shristi Housing Development Ltd. has been amalgamated with Shristi Urban Infrastructure Development Corporation Ltd. w.e.f. 31.03.2016.

The subsidiary Company, Shristi Udaipur Hotels & Resorts Pvt Ltd., was incorporated on 2nd February, 2007 as promoted by Shristi Urban Infrastructure Development Ltd., to carry on the business of hotels, motels, resorts, restaurants, shopping complex, commercial complex, multiplex etc., and related activities.

Information on the Associate structure and Information on other related party relationships of the Company is provided in Note 40(3), 40(33)(a),(b) & 40(34)(a),(b).

2. Basis of Preparation

The consolidated financial statements have been prepared based on the Schedule III for Non-Banking Financial Companies as per Notification G.S. R. 1022 (E) issued by the Ministry of Corporates Affairs on 11-10- 2018.

2.1. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its Associates as at 31st March 2021. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

2.2. Principles of Consolidation

The consolidated financial Statements consist of HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED ("The Company") and its Associate Company. The Consolidated Financial Statements are prepared on the following basis:

Investments in Associates where the Company holds more than 20% of equity are accounted for using equity method as per Indian Accounting Standard (Ind AS) 28 - "Investments in Associates and Joint Ventures".

The consolidated financial statements are prepared using uniform accounting policies and are presented to the extent possible in the same manner as the Company's separate financial statement except where adjustment for the differences are immaterial/ impractical.

2.3. Equity Accounting

Investment in associate is an entity over which the investor has significant influence. Interest in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Group's profit and loss, and the Group's share of other comprehensive income of the investee in Group's other comprehensive income.

NOTES : (Contd.)

On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the Group's interest in the associate or joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses of an associate exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. The Group resumes recognising its share of profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. The carrying amounts of equity accounted investments are tested for impairment in accordance with the accounting policy on impairment of non-financial assets.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of investment in associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in Consolidated Statement of Profit and Loss.

If the Group's ownership interest in a joint venture or an associate is reduced, but joint control or significant influence is retained, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the assets or liabilities.

3. **Application of New Indian Accounting Standards (Ind AS)**

All the Indian Accounting Standards issued and notified by the Ministry of Corporate affairs under the Companies (Indian Accounting Standards) Rules 2015(as amended) till the financial statements are authorised have been considered in preparing the consolidated Ind AS Financial Statements.

4. **Standard/Amendments issued but not yet effective**

No amendments issued during Financial Year 2020-21, are yet effective.

5. **A. Significant accounting policies**

5.1. **Statement of Compliance**

The consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended).

5.2. **Basis of Preparation and Presentation**

The consolidated Ind AS financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets (equity instruments classified as Fair Value Through P&L Account etc.) and financial liabilities (derivatives etc.) and financial liabilities that are measured at fair value at the end of each reporting date as required under relevant Ind AS.

NOTES : (Contd.)

5.3. Investment in associates and joint ventures

The Company records the investments in associates and joint ventures at cost less impairment loss, if any.

On disposal of Investment in associate, and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the consolidated statement of profit and loss.

5.4. Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

5.5. Cash and cash equivalents

Cash and cash equivalent comprise of cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and stamping/franking balance, which are subject to an insignificant risk of changes in value.

5.6. Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are recorded by the Company at the exchange rates prevailing on the date of the transaction.

At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange (RBI Reference Rate) prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss in the period in which they arise.

5.7. Revenue recognition

5.7.1. Interest income

As per Ind AS 109, Interest income, for all debt instruments measured is recorded using the effective interest rate (EIR). The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are incrementally directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company has recognized any fees that are incrementally directly attributable to the loans on the basis of Straight Line Basis co-terminus with the term of loan.

Interest income in Non-Performing Assets and /or Stage 3 in Financial Assets is recognized only on cash/receipt basis.

5.7.2. Dividends

Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

5.7.3. Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

5.7.4. Revenue from Contracts with Customers

"Revenue from Contracts with Customers" which includes but not limited to Consultancy, trusteeship, & Consortium,

NOTES : (Contd.)

charges on Construction Projects, Management Development Program or any other income is recognized as per Ind AS 115 on "Revenue from Contracts with Customers"

5.8. Borrowing costs

Borrowing costs directly attributable to the acquisition are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

5.9. Investment properties-Ind AS 40

Recognition

Investment properties are measured initially at cost, including transaction costs. The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent Measurement (Depreciation)

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates building component of Investment property over useful life prescribed under Part C of schedule II to the Companies Act, 2013. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

De-recognition

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of profit or loss in the period of de-recognition on disposal.

5.10. Property, Plant and Equipment (PPE) and Intangible assets

Recognition

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1st April, 2017.

Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment (PPE) is charged on Straight line method either on the basis of rates arrived at with the reference to the useful life of the assets arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Derecognition

An item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss account when the asset is derecognized.

Intangible assets

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible Assets comprising of Computer Software are stated at Cost less accumulated amortization.

NOTES : (Contd.)

5.11. Depreciation and amortization

- a) Depreciation is provided over the useful life of the PPE set as per Schedule-II of Companies Act, 2013 and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as residual value effective from 1st April, 2014.
- b) On PPE costing upto ₹ 5000 per item are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- c) Books purchased during the year are clubbed under Library Books and depreciation thereon is provided @ 100%.
- d) Computer software is amortized over a period of five years on a straight-line basis.

5.12. Capital -work-in -Progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct and related incidental expenses.

Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance sheet are disclosed as Intangible assets under development.

5.13. Leases

(a) Company as a lessee

- (i) The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is re-measured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets:-The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

NOTES : (Contd.)

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the term of relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".

5.14. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities i.e. Loans and advances, Equity investments, Derivative financial instruments and all other financial assets and liabilities are recognised initially at fair value plus or minus transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability except in the case of financial assets or financial liability recorded at fair value through profit or loss where the transaction cost are charged to profit and loss.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments other than which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

NOTES : (Contd.)

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

(i) Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5.15. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from retained earnings, net of any related income tax effects.

5.16. Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES : (Contd.)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

5.17. Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance with the principles laid down in Ind AS 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting date and the financial assets are classified into three categories based on the number of days of past due:-

Stage – 1	-	0-30 days
Stage – 2	-	31-90 days
Stage – 3	-	Above 90 days.

The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provisions is made in order to establish a balance in the provision for loans that the Corporation's management considers prudent and adequate keeping in view the unforeseen events and happenings such as change in policy of Government and procedural delays in repayments from the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification of Loans

The Company allows concessions or modification of loan term as a response to the borrower's financial difficulties rather than taking possession or to other wise enforce collection of security. The Company considers a loan forborne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the Company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the Company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case-to-case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the Company also reassesses whether there has been a significant increase in credit risk.

b) Non-financial assets

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in

NOTES : (Contd.)

circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

5.18. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

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

5.19. Employee benefits

- (a) Expenditure on Company contributions to Provident Fund, Group Saving Linked Insurance Scheme, EPFO's Employees' Pension Scheme and HUDCO's Employees' Pension Scheme is accounted for on accrual basis in accordance with the terms of the relevant schemes and charged to Statement of Profit & Loss. The Company's obligation towards gratuity, provident fund and post-retirement medical benefits to employees are actuarially determined and provided for as per Ind AS 19 on Employee Benefits. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
- (b) The Company's obligation towards sick leave, earned leave, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.

5.20. Taxes – Ind AS 12

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

NOTES : (Contd.)

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

In respect of disputed income tax / wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

5.21. Dividend

Proposed final dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

5.22. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

5.23. Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

NOTES : (Contd.)

5 B. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i. Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

iii. Effective Interest Rate (EIR) method

The Company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

iv. Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of

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a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

v. **Provisions and other contingent liabilities**

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

vi. **Revenue from contract with Customers**

The Company's contracts with customers include promises to transfer services to a customer. The Company assesses the services promised in a contract and identifies performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or services, transfer of significant risks and rewards to the customer, etc.

vii. **Leases**

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.

viii. **Impact of Covid:**

Impact of Covid-19 Outbreak - The extent to which the Covid-19 pandemic will impact the Company will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Govt. or the Company to contain its spread or mitigate its impact.

NOTE 6 : CASH AND CASH EQUIVALENTS

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A	Cash and Cash Equivalents		
(i)	Cash and Revenue Stamps in hand	-	-
(ii)	Bank Deposits (3 months and less than 3 months) **	1,228.89	176.86
(iii)	Balances in Current account with:		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks * \$	57.21	45.79
(iv)	Cheque/Demand draft in hand	-	-
	Total	1,286.12	222.67

\$ Balances with Banks in current accounts maintained with various Banks.

Components of Cash & Cash Equivalents : Earmarked balances with Bank

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
*	Balances in Current Accounts With Scheduled Banks:		
(i)	Rajiv Rinn Yojana	0.07	0.11
(ii)	No-Lien account of Andrews Ganj Project	0.08	0.08
(iii)	Heritage Project - Retail Finance	0.04	0.07
(iv)	Interest Subsidy for Housing Urban Poor (ISHUP)	0.01	0.01
(v)	Credit Linked Subsidy Scheme	11.59	2.99
(vi)	BSUP Project	0.01	-
(vii)	Interim Dividend Balance	15.30	0.45
(viii)	Unclaimed Dividend	0.63	0.03
(ix)	Unclaimed Bonds	9.20	7.86
	Sub Total - Balances in Current Accounts With Schedules Banks	36.93	11.60
**	Bank Deposits (3 months & Less than 3 months)		
(i)	Vikat Hotel	3.93	3.81
(ii)	Credit Linked Subsidy Scheme #	3.00	133.40
(iii)	Sagar Co-operative Housing Society #	0.28	0.26
(iv)	Rajiv Rinn Yojana	0.65	0.85
(v)	DRT Chennai	0.15	-
(vi)	Liquid Assets Fixed Deposits @	7.26	38.54
	Sub Total - Bank Deposits (3 months & Less than 3 months)	15.27	176.86

Includes Interest Accrued but not due.

@ Fixed Deposits are maintained as per the requirements of section 29B of National Housing Bank Act, 1987.

NOTE 7 : BANK BALANCES OTHER THAN ABOVE

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
	Bank balance other than above		
(i)	Bank Deposits (More than 3 months & upto 12 months) * # %	95.44	123.73
(ii)	Bank Deposits - (More than 12 months) ** #	45.84	76.41
	Total	141.28	200.14

% Includes Deposit with EXIM Bank in terms of swap arrangement in respect of ADB Loan.

* Components of Bank balances - Earmarked Bank Deposits (More than 3 months & upto 12 months) :

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i)	Human Settlement Management Institute Study Fund #	4.09	3.88
(ii)	Rajiv Rinn Yojana #	39.60	37.77
(iii)	Heritage Project - Retail Finance #	1.80	1.84
(iv)	SPIL #	0.36	0.34
(v)	BSUP Project	3.45	3.23
(vi)	OCRPMO	0.31	0.28
	Sub Total - Bank Deposits (More than 3 months & upto 12 months)	49.61	47.34

Note : Short term deposits are made for varying periods upto one year depending on short term liquidity requirements of HUDCO and earn interest at respective short term deposit rates.

** Components of Bank balances - Earmarked Bank Deposits (More than 3 months & upto 12 months) :

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i)	Under lien with Bank of India, Cayman Island branch, USA #	45.84	76.41
		45.84	76.41

Includes Interest Accrued but not due.

NOTE 8 : DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
		Notional amounts	Fair value assets	Fair value liabilities	Notional amounts	Fair value assets	Fair value liabilities
		1	2	3	1	2	3
A	PART I						
	Currency Derivatives:						
	I						
	Currency Swaps						
	USAID - II	10.30	0.66	-	17.17	1.61	-
B	II						
	Forward Contract	-	-	-	-	-	-
	Total A	10.30	0.66	-	17.17	1.61	-
B	Interest rate derivatives:						
	- Interest rate Swaps	-	-	-	-	-	-
	Total B	-	-	-	-	-	-
	Total Part I (A) + (B)	10.30	0.66	-	17.17	1.61	-
A	Part II						
	Included in above (Part I) are Derivatives held for Hedging and Risk Management Purposes as follows:						
	Fair value hedging:	-	-	-	-	-	-
	Sub-total A	-	-	-	-	-	-
	Cash flow hedging:	-	-	-	-	-	-
B	Sub-total B	-	-	-	-	-	-
C	Net Investment hedging:	-	-	-	-	-	-
D	Undesignated derivatives	-	-	-	-	-	-
		10.30	0.66	-	17.17	1.61	-
	Sub-total D	10.30	0.66	-	17.17	1.61	-
	Total Part II (A) + (B) + (C) + (D)	10.30	0.66	-	17.17	1.61	-
	Total derivative financial instruments	10.30	0.66	-	17.17	1.61	-

Note:

- The table above shows fair value of Derivative financial instruments recorded as Assets/Liabilities together with their Notional amounts. The Notional amounts indicate the value of transactions outstanding at the period end and are not indicative of market or credit risk.
- The fair value of the derivative financial instruments are those as informed by the counter parties (generally Banks).
- The Company holds Derivative financial instruments such as foreign exchange forward contracts, currency swaps or currency option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency liabilities/forecasted cash flow denominated in foreign currencies. Derivatives are used exclusively for hedging and not as trading or speculative instruments. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. The counter party for these contracts is generally a bank.
- Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in statement of Profit and Loss.
- The Company's risk management strategy and how it is applied to manage risk are explained in Note 37 of Notes to Accounts.

NOTE 8 : (Contd.)

Offsetting

Financial assets subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
At 31 st March, 2021	0.66	-	0.66	-	-	-	0.66	0.66	-
At 31 st March, 2020	1.61	-	1.61	-	-	-	1.61	1.61	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

Financial liabilities subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the Balance Sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities *	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
Derivative liabilities									
At 31 st March, 2021	-	-	-	-	-	-	-	-	-
At 31 st March, 2020	-	-	-	-	-	-	-	-	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

NOTE 9 : RECEIVABLES

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2021	As at 31 st March, 2020
I	TRADE RECEIVABLE			
(i)	- Considered good- Unsecured	24.73		23.07
(ii)	- Less: Credit Impaired	16.80		16.83
	Sub-total (I)		7.93	6.24
II	OTHER RECEIVABLE			
(i)	- Considered good- Unsecured	5.37		6.70
(ii)	- Less: Credit Impaired	1.48		1.48
	Sub-total (II)		3.89	5.22
	Total (I+II)		11.82	11.46

Footnote:

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
1	- Considered good- Secured	-	-
	- Considered good- Unsecured	30.10	29.77
	- Credit Impaired	18.28	18.31
2	Trade Receivable stated above include debts due by:		
	Director	Nil	Nil
	Other Officers of the Company	Nil	Nil
	Firm in which director is a partner	Nil	Nil
	Private Company in which director is a member	Nil	Nil

NOTE 10 : LOANS

S.No.	PARTICULARS	As at 31 st March, 2021					As at 31 st March, 2020					Total	
		Amortised Cost	At fair value		Designated at fair value through profit or loss	Subtotal	Total	Amortised Cost	At fair value		Designated at fair value through profit or loss		Subtotal
			Through other comprehensive income	Through profit or loss					Through other comprehensive income	Through profit or loss			
		1	2	3	4	5=(2+3+4)	6=(1+5)	1	2	3	4	5=(2+3+4)	6=(1+5)
B (i)	Term Loans												
	(a) Loans & advances	77,000.04	-	-	-	-	77,000.04	77,163.37	-	-	-	-	77,163.37
	(ii) Others												
	(a) Staff loans *	45.77	-	-	-	-	45.77	44.36	-	-	-	-	44.36
	Total (A) - Gross	77,045.81	-	-	-	-	-	77,045.81	77,207.73	-	-	-	-
(iii)	Less: Impairment loss allowance (Refer S.No. 5 (b), 12 & 28 of Note No. 40- Explanatory notes)#	2,753.92	-	-	-	-	2,753.92	2,939.81	-	-	-	-	2,939.81
	Total (A) - Net	74,291.89	-	-	-	-	74,291.89	74,267.92	-	-	-	-	74,267.92
B (i)	Secured by tangible assets,	9,141.26	-	-	-	-	9,141.26	9,948.08	-	-	-	-	9,948.08
(ii)	Secured by intangible assets.	-	-	-	-	-	-	-	-	-	-	-	-
(iii)	Covered by Bank/ Government Guarantees @	67,618.54	-	-	-	-	67,618.54	66,813.07	-	-	-	-	66,813.07
(iv)	Unsecured	286.01	-	-	-	-	286.01	446.58	-	-	-	-	446.58
	Total (B) - Gross	77,045.81	-	-	-	-	77,045.81	77,207.73	-	-	-	-	77,207.73
(v)	Less: Impairment Loss Allowance	2,753.92	-	-	-	-	2,753.92	2,939.81	-	-	-	-	2,939.81
	Total (B) - Net	74,291.89	-	-	-	-	74,291.89	74,267.92	-	-	-	-	74,267.92
C (i)	Public Sector	74,409.35	-	-	-	-	74,409.35	74,320.21	-	-	-	-	74,320.21
(ii)	Other than Public Sector	2,636.46	-	-	-	-	2,636.46	2,887.52	-	-	-	-	2,887.52
	Total (C) - Gross	77,045.81	-	-	-	-	77,045.81	77,207.73	-	-	-	-	77,207.73
(iii)	Less: Impairment Loss Allowance	2,753.92	-	-	-	-	2,753.92	2,939.81	-	-	-	-	2,939.81
	Total (C) - Net	74,291.89	-	-	-	-	74,291.89	74,267.92	-	-	-	-	74,267.92

Note: The Company has only 'Amortised cost category' to present in this schedule.

Includes secured by way of mortgage of ₹ 34.89 crore (previous year ₹34.17 crore)

#	Includes provision on undrawn commitment of ₹ 0.57 crore (previous year ₹ 0.46 crore)
1	Includes provision on undrawn commitment of ₹ 0.57 crore (previous year ₹ 0.46 crore)

Includes ₹ 5.61 crore (previous year ₹ 5.61 crore) of Loans secured through Bank Bank Guarantees.

Includes loan of ₹ 20,000 crore (previous year ₹ 20,000 crore) extended to BMTPC, raised by issue of "GOI fully serviced Bonds", repayment of which shall be met by Government of India through suitable provision in the Budget of Ministry of Housing and Urban Affairs.

NOTE 10 : (Contd.)**NOTE: 10(a)(1): Impairment allowance for loans and advances to customers**

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 10(a)(4)(ii) and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 10(a)(4)(vi).

31st March, 2021**(i) Government - Housing**

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	1,397.34	70.86	357.19	1,825.39
Low_Risk	37,979.79	5,859.36	45.38	43,884.53
Grand Total	39,377.13	5,930.22	402.57	45,709.92

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	0.18	-	-	0.18
Medium_Risk	4,293.08	-	143.05	4,436.13
Low_Risk	21,890.33	980.09	5.85	22,876.26
Grand Total	26,183.58	980.09	148.90	27,312.57

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	-	-	2,466.74	2,466.74
Low_Risk	-	-	5.61	5.61
Grand Total	-	-	2,483.79	2,483.79

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	173.29	-	-	173.29
Medium_Risk	80.86	7.40	18.76	107.02
Low_Risk	-	-	-	-
Grand Total	254.15	7.40	18.76	280.31

31st March, 2020**(i) Government - Housing**

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	1,510.59	360.70	-	1,871.29
Low_Risk	41,482.17	460.51	41.17	41,983.85
Grand Total	42,992.76	821.21	41.17	43,855.14

NOTE 10 : (Contd.)

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	159.10	-	-	159.10
Medium_Risk	4,847.52	-	143.05	4,990.57
Low_Risk	22,803.54	1,726.04	5.85	24,535.42
Grand Total	27,810.16	1,726.04	148.90	29,685.09

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.44	11.44
Medium_Risk	0.55	-	2,701.49	2,702.04
Low_Risk	-	-	5.61	5.61
Grand Total	0.55	-	2,718.54	2,719.09

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	181.76	-	-	181.76
Medium_Risk	101.44	3.87	19.04	124.35
Low_Risk	-	-	-	-
Grand Total	283.20	3.87	19.04	306.11

NOTE: 10(a)(2)

(i) Government - Housing

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Housing lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	40,809.84	-	87.89	40,897.73
High grade	-	-	-	-
New assets originated or purchased	4,983.56	-	-	4,983.56
Assets derecognised or repaid (excluding write offs)	1,979.43	-	46.72	2,026.15
Transfers from Stage 1	(987.43)	987.43	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-

NOTE 10 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 31st March, 2020	42,826.54	987.43	41.17	43,855.14
High grade	-	-	-	-
New assets originated or purchased	3,687.89	-	-	3,687.89
Assets derecognised or repaid (excluding write offs)	1,789.56	38.33	5.22	1,833.11
Transfers from Stage 1	(5,341.82)	5,341.82	-	-
Transfers from Stage 2		(360.70)	360.70	-
Transfers from Stage 3	(5.92)	-	5.92	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	39,377.13	5,930.22	402.57	45,709.92

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	4.41	-	87.89	92.30
High grade	-	-	-	-
New assets originated or purchased	8.69	-	-	8.69
Assets derecognised or repaid(excluding write offs)	0.19	-	46.72	46.91
Transfers from Stage 1	(8.80)	8.80	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2020	4.11	8.80	41.17	54.08
ECL allowance as at 31st March, 2020	4.11	8.80	41.17	54.08
High grade	-	-	-	-
New assets originated or purchased	0.35	-	-	0.35
Assets derecognised or repaid(excluding write offs)	0.17	0.66	1.67	2.50
Transfers from Stage 1	(0.51)	5.30	-	4.79
Transfers from Stage 2	-	(0.16)	115.42	115.26
Transfers from Stage 3	-	-	1.89	1.89
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2021	3.78	13.28	156.81	173.87

NOTE 10 : (Contd.)
(ii) Government - Urban Infrastructure

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Urban lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	28,562.07	143.05	37.78	28,742.91
High grade	-	-	-	-
New assets originated or purchased	5,122.45	-	-	5,122.45
Assets derecognised or repaid(excluding write offs)	4,148.32	-	31.94	4,180.26
Transfers from Stage 1	(2,682.81)	2,682.81	-	-
Transfers from Stage 2	-	(143.05)	143.05	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2020	26,853.39	2,682.81	148.90	29,685.09
Gross carrying amount as at 31st March, 2020	26,853.39	2,682.81	148.90	29,685.09
High grade	-	-	-	-
New assets originated or purchased	4,613.71	9.08	-	4,622.79
Assets derecognised or repaid(excluding write offs)	6,986.11	9.21	-	6,995.32
Transfers from Stage 1	1,702.59	(1,702.59)	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	26,183.58	980.09	148.90	27,312.56

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	0.77	0.01	37.78	38.56
High grade	-	-	-	-
New assets originated or purchased	51.27	-	-	51.27
Assets derecognised or repaid(excluding write offs)	0.30	-	31.94	32.24
Transfers from Stage 1	(49.81)	49.81	-	-
Transfers from Stage 2	-	(0.01)	34.33	34.32
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	1.93	49.81	40.17	91.91

NOTE 10 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 31st March, 2020	1.93	49.81	40.17	91.91
High grade	-	-	-	-
New assets originated or purchased	1.47	0.45	17.17	19.09
Assets derecognised or repaid(excluding write offs)	0.75	0.42	-	1.17
Transfers from Stage 1	0.18	(1.96)	-	(1.78)
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2021	2.83	47.88	57.34	108.05

(iii) Non - Government

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Non - Government lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	1.53	-	3,140.62	3,142.15
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.99	-	180.57	181.56
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	241.50	241.50
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2020	0.55	-	2,718.54	2,719.09
Gross carrying amount as at 31st March, 2020	0.55	-	2,718.54	2,719.09
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.55	-	29.90	30.45
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	204.86	204.86
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	-	-	2,483.78	2,483.78

NOTE 10 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	0.02	-	2,786.35	2,786.37
High grade	-	-	-	-
New assets originated or purchased	-	-	174.68	174.68
Assets derecognised or repaid(excluding write offs)	-	-	102.26	102.26
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	172.38	172.38
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2020	0.02	-	2,686.39	2,686.41
ECL allowance as at 31st March, 2020	0.02	-	2,686.39	2,686.41
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	0.02	-	29.47	29.49
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	204.86	204.86
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2021	-	-	2,452.06	2,452.06

(iv) Retail

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2019	519.11	3.29	20.30	542.70
High grade	-	-	-	-
New assets originated or purchased	15.08	0.41	-	15.49
Assets derecognised or repaid(excluding write offs)	250.06	0.85	1.17	252.08
Transfers from Stage 1	(3.00)	2.80	0.20	-
Transfers from Stage 2	1.33	(1.86)	0.53	-
Transfers from Stage 3	0.75	0.07	(0.82)	-
As at 31st March, 2020	283.21	3.86	19.04	306.11
Gross carrying amount as at 31st March, 2020	283.21	3.86	19.04	306.11
High grade	-	-	-	-
New assets originated or purchased	12.69	-	-	12.69
Assets derecognised or repaid(excluding write offs)	36.82	0.68	0.99	38.49
Transfers from Stage 1	(6.96)	6.27	0.69	-
Transfers from Stage 2	1.72	(2.10)	0.38	-
Transfers from Stage 3	0.31	0.05	(0.36)	-
Gross carrying amount as at 31st March, 2021	254.15	7.40	18.76	280.31

NOTE 10 : (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2019	1.09	0.06	20.27	21.42
High Grade	-	-	-	-
New Assets originated or purchased	0.04	-	-	0.04
Assests derecognised or repaid (excluding write offs)	0.86	0.01	1.16	2.03
Transfer from Stage 1	(0.01)	0.04	0.21	0.24
Transfer from Stage 2	0.02	(0.04)	0.54	0.52
Transfer from Stage 3	-	-	(0.82)	(0.82)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2020	0.28	0.05	19.04	19.37
ECL allowance as at 31st March, 2020	0.28	0.05	19.04	19.37
High Grade	-	-	-	-
New Assets originated or purchased	0.04	0.02	-	0.06
Assests derecognised or repaid (excluding write offs)	0.11	0.01	0.99	1.11
Transfer from Stage 1	(0.01)	0.14	0.69	0.82
Transfer from Stage 2	0.01	(0.03)	0.38	0.36
Transfer from Stage 3	0.01	-	(0.36)	(0.35)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2021	0.22	0.17	18.76	19.15

NOTE: 10(a)(3) Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- The Company's definition and assessment of default and cure.
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default.
- When the Company considers there has been a significant increase in credit risk of an exposure.
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis.
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets.

NOTE: 10(a)(4)(i) Definition of default

The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes 90 days past due on its contractual payments.

NOTE: 10(a)(4)(ii) Probability of default

The 12 month probability of default is calculated using incremental NPA approach.

NOTE: 10(a)(4)(iii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

NOTE 10 : (Contd.)

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

NOTE: 10(a)(4)(iv) Loss given default

The Company segments its lending products into smaller homogeneous portfolios (Government - Housing, Government - Urban Infrastructure, Non Government and Retail), based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type) as well as borrower characteristics.

NOTE: 10(a)(4)(v) Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

NOTE: 10(a)(4)(vi) Grouping financial assets measured on a collective basis

As explained in Note 4.17, the Company calculates ECLs on collective or individual basis .

The Company calculates ECLs on collective basis on following asset classes:

- Government - Housing
- Government - Urban Infrastructure
- Non Government
- Retail

The Company calculates ECLs on individual basis on all Stage 3 assets of Non Government portfolio.

NOTE 11 : (Contd.)

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021					As at 31 st March, 2020								
		Amortised Cost	Through other comprehensive income	At fair value	Designated at fair value through profit or loss	Subtotal	Others	Total	Amortised Cost	Through other comprehensive income	At fair value	Designated at fair value through profit or loss	Subtotal	Others	Total
		(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)	(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)
5	Associates														
(i)	25,00,000 equity shares of Indbank Housing Limited	-	-	-	-	-	2.50	2.50	-	-	-	-	-	2.50	2.50
(ii)	1,30,000 equity shares of Pragati Social Infrastructure Development Ltd.	-	-	-	-	-	0.13	0.13	-	-	-	-	-	0.13	0.13
(iii)	20,00,000 equity shares of Shristi Urban Infrastructure Development Ltd. \$	-	-	-	-	-	0.69	0.69	-	-	-	-	-	0.77	0.77
(iv)	13,000 equity shares of Signa Infrastructure India Ltd.	-	-	-	-	-	0.01	0.01	-	-	-	-	-	0.01	0.01
	Total gross (A)	7.59	-	241.75	-	249.34	3.33	252.67	-	-	231.98	-	231.98	3.41	235.39
B	Investments outside India														
(i)	Investments in India	7.59	-	241.75	-	249.34	3.33	252.67	-	-	231.98	-	231.98	3.41	235.39
(ii)	Total gross (B)	7.59	-	241.75	-	249.34	3.33	252.67	-	-	231.98	-	231.98	3.41	235.39
	Total (A) to tally with (B)	7.59	-	241.75	-	249.34	3.33	252.67	-	-	231.98	-	231.98	3.41	235.39
C	Less: Allowance for Impairment loss (C)														
(i)	Equity Instruments @ Associate	-	-	0.47	-	0.47	-	0.47	-	-	0.47	-	0.47	-	0.47
(ii)							2.64	2.64						2.64	2.64
D	Total Net D = (A) - (C)	7.59	-	241.28	-	248.87	0.69	249.56	-	0.00	231.51	-	231.51	0.77	232.28

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

** Treasury Bills are maintained as per the requirement of Section 29 B of National Housing Bank Act, 1987.

*** Share Certificates sent for correction but not received back. HUDCO has filled complaint against the Company with Registrar of Companies, Andhra Pradesh on 02.07.1998.

@ The fair value of these investments are ₹1. The investments and impairment thereon has been shown at Gross value.

These investment have been booked at ₹1 as per the MDRA executed between the consortium of lenders (Refer point no. 8 of Explanatory note 40)

\$	Investment in Shristi Urban Infrastructure Development Ltd. (Unquoted)	(₹ in crore)
	Investments as on 31 st March, 2019	0.99
	Add: Profit/(Loss) as on 31 st March, 2020	(0.22)
	Investment as on 31 st March, 2020	0.77
	Add: Profit/(Loss) as on 31 st March, 2021	(0.08)
	Investment as on 31st March, 2021	0.69
	There are no such indicators as at each of the reporting date for the period under reporting which indicate of any objective evidence that its net investment in the associate Company is impaired due to the fact the Net Worth of the Company is positive as on Balance Sheet Date.	

NOTE 12 : OTHER FINANCIAL ASSETS

(₹ in crore)

S. No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A	Advances		
(i)	Deposit for Services	0.58	0.58
	Sub-total (A)	0.58	0.58
B	Recoverables		
(i)	Recoverable from Andrewsganj Project (AGP)	460.11	429.49
(ii)	Advances for works *	14.06	14.06
(iii)	Amount recoverable for Income Tax Department	7.85	7.84
(iv)	Amount receivable on Redemption of Investment	-	226.59
(v)	Work-in-progress		
	-Andrewsganj Project	19.34	19.34
	Sub-total (B)	501.36	697.32
	Total (A+B)	501.94	697.90

* Includes amount on account of Andrewsganj Project (Refer S. No. 3 of Note 40- Explanatory Note). 13.97 13.97

NOTE 13: CURRENT TAX ASSETS/(LIABILITIES)

(₹ in crore)

S. No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
(i)	Advance Income Tax (Including TDS)	419.59	456.99
(ii)	Less: Provision for Income Tax	428.00	455.00
	Current Tax Assets/(Liabilities)	(8.41)	1.99

NOTE 14 A : INVESTMENT PROPERTY

(₹ in crore)

S. No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION						NET BLOCK	
		At cost or fair value at the beginning of the year	Addi- tion during the year	Adjustments during the year	At cost or fair value at the end of the year	Accu- mulated Depreci- ation and impair- ment as at the beginning of the year	Addi- tion during the year	Adjustments during the year	Accu- mulated Depreci- ation and impair- ment as at the end of the year	Addi- tion during the year	Adjustments during the year	Net carrying amount as at the end of the year	Net carrying amount as at the end of the year
		as at 1 st April, 2019			as at 31 st March, 2020				as at 31 st March, 2020			as at 31 st March, 2021	as at 31 st March, 2020
(i)	Building (Freehold)	8.08	-	-	8.08	5.26	0.13	-	5.39	0.13	-	2.56	2.69
(ii)	Building (Leasehold)	35.11	-	-	35.11	19.46	0.72	-	20.18	0.68	-	14.25	14.93
(iii)	Flat (Freehold)	6.26	-	-	6.26	4.54	0.08	-	4.62	0.08	-	1.56	1.64
(iv)	Flat (Leasehold)	0.11	-	-	0.11	0.09	-	-	0.09	-	0.45	0.25	0.02
	Total	49.56	-	-	49.56	29.35	0.93	-	30.28	0.89	0.45	18.62	19.28

The Company's investment properties consist of building and flats situated in India. The management has determined that the investment properties consist of office and residences based on the nature, characteristics and risk of each property. As at 31st March 2021, the fair values of the properties are ₹ 753.94 crore (Previous year ₹ 495.36 crore). These valuations are based on valuations performed by the independent valuer. The rental income from investment property during 2020-21 is ₹ 40.60 crore (Previous year ₹ 35.54 crore).

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. Fair value hierarchy disclosures for investment properties have been provided in Note 36.3 of Notes to accounts.

S. No.	Investment properties	Valuation technique	Range (weighted average)	Fair Value (₹ in crore)
1	Jaipur (Jyoti Nagar, Lal Kothi)	Rental method	8.00%	7.12
2	Chennai (CMDA Tower)	Composite Rate Method	8.00%	40.30
3	Bhopal (Parayavas Bhavan)	Composite Rate Method	-	14.21
4	Mumbai (Shreyas Chambers)	Income Approach	-	23.46
5	Bhubaneswar (Deendayal Bhawan)	Market Approach	4.56%	4.98
6	Jammu (Hudco Bhawan, Rail Head Complex)	Income Approach	9.00%	10.57
7	Ahmedabad (Tupti Apartments)	Market Approach	-	1.46
8	Mumbai (Oshiwara Flats)	Market Approach	-	5.56
9	Bhikaji Cama Place, Delhi	Income Approach	6.00%	646.28
	Total			753.94

NOTE 14 D : INTANGIBLE ASSETS UNDER DEVELOPMENT

S.No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		At cost or fair value at the beginning of the year	Addition during the year	Adjustments	At cost or fair value at the end of the year	Addition during the year	Accumulated Depreciation and impairment as at the end of the year	Addition during the year	Adjustments	Accumulated Depreciation and impairment as at the end of the period	Net carrying amount as at the end of the year
		as at 1 st April, 2019			as at 31 st March, 2020					as at 31 st March, 2021	as at 31 st March, 2020
	Intangible Assets under Development	-	-	-	-	21.15	-	-	-	-	-
	Total	-	-	-	-	21.15	-	-	-	-	-

NOTE 14 E : OTHER INTANGIBLE ASSETS

S.No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		At cost or fair value at the beginning of the year	Addition during the year	Adjustments	At cost or fair value at the end of the year	Addition during the year	Accumulated Depreciation and impairment as at the end of the year	Addition during the year	Adjustments	Accumulated Depreciation and impairment as at the end of the period	Net carrying amount as at the end of the year
		as at 1 st April, 2019			as at 31 st March, 2020					as at 31 st March, 2021	as at 31 st March, 2020
	INTANGIBLE										
(i)	Software	2.35	-	-	2.35	0.18	1.94	0.13	-	2.07	0.31
	Total	2.35	-	-	2.35	0.18	1.94	0.13	-	2.20	0.31

NOTE 15 : OTHER NON FINANCIAL ASSETS

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A	Advances		
(a)	Advance against Capital purchases	0.62	0.62
(b)	Advance against CSR Expenditure	4.96	3.25
(c)	Prepaid Expenses	14.38	11.71
(d)	Unamortized Deposit for Services	0.06	0.07
B	Other loans and advances		
(a)	Advances to Employees	15.05	44.09
(b)	Advance to Gratuity Fund	1.17	-
(c)	Income Tax payment	301.70	295.34
(d)	Service Tax payment under litigation	2.63	2.63
(e)	Less : Provision on Service tax	2.49	2.49
		0.14	0.14
(f)	Others	18.17	19.73
(g)	Less : Provision	1.93	1.55
		16.24	18.18
	Total	354.32	373.40

NOTE 16 : PAYABLES

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A	Trade Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises *	-	-
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.10	0.11
	Sub-total (A)	0.10	0.11
B	Other Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises *	0.39	0.09
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	11.73	17.39
	Sub-total (B)	12.12	17.48
	Total (A + B)	12.22	17.59

* The outstanding payable to MSME consists of principal amount and interest due on principal amount remaining unpaid to any MSME supplier beyond the scheduled date of payment. However, for the Year Ended 31st March, 2021, the interest due on principal amount remaining unpaid to MSME is Nil (Previous Year Nil) (Refer S.No. 17 of Note 40- Explanatory Note)

NOTE 17 : DEBT SECURITIES

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
(A) I	BONDS								
(a)	Secured								
(i)	Tax free bonds [Refer Details of Debt Securities - (A) (i)]	17,339.64	-	-	17,339.64	17,333.51	-	-	17,333.51
(ii)	Special priority sector bonds - I [Refer Details of Debt Securities - (A) (ii)]	12.40	-	-	12.40	20.10	-	-	20.10
	Sub-total A I (a) {(i) + (ii)}	17,352.04	-	-	17,352.04	17,353.61	-	-	17,353.61
(b)	Unsecured								
(i)	HUDCO Bonds - Non Cumulative redeemable at par [Refer Details of Debt Securities - (B) (i)(a)]	18,503.48	-	-	18,503.48	14,719.46	-	-	14,719.46
(ii)	HUDCO Bonds - Cumulative redeemable at par [Refer Details of Debt Securities - (B) (i)(b)]	675.04	-	-	675.04	674.78	-	-	674.78
(iii)	Special priority sector bonds - II [Refer Details of Debt Securities - (B) (i)(c)]	26.99	-	-	26.99	43.64	-	-	43.64
(iv)	GOI Bonds [Refer Details of Debt Securities - (B) (i)(d)]	20,000.00	-	-	20,000.00	20,000.00	-	-	20,000.00
	Sub-total A I (b) {(i) + (ii) + (iii) + (iv)}	39,205.51	-	-	39,205.51	35,437.88	-	-	35,437.88
(A) II	COMMERCIAL PAPER								
	Unsecured								
(i)	5.60% HUDCO Commercial Paper Bonds 2019 Series -E (Value Date 29.01.2020 and Maturity Date 29.05.2020 for 121 days)	-	-	-	-	1,200.00	-	-	1,200.00
(ii)	4.34% HUDCO Commercial Paper Bonds 2020 Series -A (Value Date 16.06.2020 and Maturity Date 16.06.2021 for 365 days)	1,500.00	-	-	1,500.00	-	-	-	-
	Sub-total A II {(i) + (ii)}	1,500.00	-	-	1,500.00	1,200.00	-	-	1,200.00
	Total (A I + A II)	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49
(B)	Debt securities in India	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49
	Debt securities outside India	-	-	-	-	-	-	-	-
	Sub-total B	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49
	Total (B) to tally with (A)	58,057.55	-	-	58,057.55	53,991.49	-	-	53,991.49

Note: The Company has only "Amortized cost category" to present this schedule.

(₹ in crore)

S.No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A	SECURED BONDS		
I (a)	TAX FREE BONDS		
	8.71% Tax free bonds 2013 (Tranche - III) Series - 3A *	8.76	8.76
	8.96% Tax free bonds 2013 (Tranche - III) Series - 3B *	41.54	41.54
	8.76% Tax free bonds 2013 (Tranche - II) Series - 3A *	286.54	286.54
	9.01% Tax free bonds 2013 (Tranche - II) Series - 3B *	671.16	671.16
	8.49% Tax free bonds 2013 (Tranche - I) Series - 3A *	35.51	35.51
	8.74% Tax free bonds 2013 (Tranche - I) Series - 3B *	88.85	88.85
	7.39% Tax free bonds 2015 (Tranche - II) Series - 2A ***	1,024.94	1,024.94
	7.69% Tax free bonds 2015 (Tranche - II) Series - 2B ***	610.05	610.05
	7.39% Tax free bonds 2015 (D) ***	211.50	211.50
	7.39% Tax free bonds 2015 (Tranche - I) Series - 2A ***	909.69	909.69
	7.64% Tax free bonds 2015 (Tranche - I) Series - 2B ***	556.15	556.15
	8.73% Tax free bonds 2013 (Tranche - III) Series - 2A *	28.47	28.47
	8.98% Tax free bonds 2013 (Tranche - III) Series - 2B *	128.42	128.42
	8.58% Tax free bonds 2013 (Tranche - II) Series - 2A *	127.39	127.39
	8.83% Tax free bonds 2013 (Tranche - II) Series - 2B *	123.75	123.75
	8.51% Tax free bonds 2013 (Tranche - I) Series - 2A *	799.27	799.27
	8.76% Tax free bonds 2013 (Tranche - I) Series - 2B *	815.00	815.00
	8.56% Tax free bonds 2013 Series - 1 *	190.80	190.80
	7.19% Tax free bonds 2012 (Tranche - II) Series - 2 *	109.39	109.39
	7.51% Tax free bonds 2012 (Tranche - I) Series - 2 *	1,274.24	1,274.24
	8.20% Tax free bonds 2011 (Tranche - I) Series - 2 *	2,518.30	2,518.30
	8.16% Tax free bonds 2011 (C - II) *	47.67	47.67
	7.83% Tax free bonds 2011 (B - II) *	66.51	66.51
	7.75% Tax free bonds 2011 (A - II) *	10.81	10.81
	7.04% Tax free bonds 2015 (Tranche - II) Series - 1A ***	48.16	48.16
	7.29% Tax free bonds 2015 (Tranche - II) Series - 1B ***	105.35	105.35
	7.02% Tax free bonds 2015 (Tranche - I) Series - 1A ***	117.21	117.21
	7.27% Tax free bonds 2015 (Tranche - I) Series - 1B ***	128.45	128.45
	7.00% Tax free bonds 2015 (C) **	108.50	108.50

NOTE 17 : Contd.)

S.No.	Particulars		As at 31 st March, 2021	As at 31 st March, 2020
	7.07% Tax free bonds 2015 (B) **	01.10.2025	1,029.00	1,029.00
	7.19% Tax free bonds 2015 (A) **	31.07.2025	151.00	151.00
	8.29% Tax free bonds 2013 (Tranche - III) Series - 1A *	24.03.2024	18.37	18.37
	8.54% Tax free bonds 2013 (Tranche - III) Series - 1B *	24.03.2024	47.36	47.36
	8.51% Tax free bonds 2013 (Tranche - II) Series - 1A *	13.01.2024	504.93	504.93
	8.76% Tax free bonds 2013 (Tranche - II) Series - 1B *	13.01.2024	439.63	439.63
	8.14% Tax free bonds 2013 (Tranche - I) Series - 1A *	25.10.2023	269.58	269.58
	8.39% Tax free bonds 2013 (Tranche - I) Series - 1B *	25.10.2023	361.79	361.79
	7.03% Tax free bonds 2012 (Tranche - II) Series - 1 *	28.03.2023	97.62	97.62
	7.34% Tax free bonds 2012 (Tranche - I) Series - 1 *	16.02.2023	920.10	920.10
	8.10% Tax free bonds 2011 (Tranche - I) Series - 1 *	05.03.2022	2,166.42	2,166.42
	8.09% Tax free bonds 2011 (C - I) *	22.12.2021	47.86	47.86
	7.62% Tax free bonds 2011 (B - I) *	11.11.2021	137.66	137.66
	7.51% Tax free bonds 2011 (A - I) *	21.10.2021	4.77	4.77
(b)	Sub-Total A - I (a)		17,388.47	17,388.47
	Unamortised fees, charges & Other Expenses		(48.83)	(54.96)
	Sub-Total A - I		17,339.64	17,333.51
*	The bonds are secured by a floating first pari-passu charge on the present & future receivables of the Company to the extent of amount mobilised under the issue. However, the Company reserves the right to create first pari-passu charge on the present and future receivable for its present and future financial requirements.			
**	The bonds are secured by a first pari-passu charge on the present & future receivables of the Company to the extent of amount mobilised under the issue. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.			
***	The bonds are secured by a first pari-passu charge on the present & future receivables of the Company to the extent of the amount mobilised under the issue and interest thereon. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.			
II	SPECIAL PRIORITY SECTOR BONDS - I	Date of Allotment		
(a)	SPS Bond series C (Bank of India) [Refer Sub Details I (a) (i) of Special Priority Sector Bonds]	31.03.1998	12.40	20.10
	Sub-total A - II (a)		12.40	20.10
	The repayment dates for SPS bonds series C is semi annual, for series C from 10.12.2015 to 10.06.2022.			
	Bonds are secured by lien over Certificate of Deposits for US \$ 2.49 million (Previous year US \$ 4.03 million) placed under swap arrangement with Bank of India, Cayman Islands Branch, New York. The deposits are co-terminus with the maturity schedule of the underlying ADB loans.			

NOTE 17 : (Contd.)

S.No.	Particulars	Date of Allotment	Date of redemption	As at 31 st March, 2021	As at 31 st March, 2020
B I (a)	UNSECURED BONDS				
	HUDCO Bonds- Non Cumulative redeemable at par				
	4.78% Taxable (F) 2020	28.12.2020	28.02.2024	940.00	-
	5.35% Taxable (E) 2020	04.08.2020	11.04.2025	800.00	-
	6.75% Taxable (D) 2020	29.05.2020	29.05.2030	1,040.00	-
	5.95% Taxable (C) 2020	12.05.2020	11.08.2023	1,470.00	-
	6.09% Taxable (B) 2020	24.04.2020	24.06.2023	1,500.00	-
	6.65% Taxable (A) 2020	15.04.2020	15.06.2023	600.00	-
	6.79% Taxable (F) 2019	17.01.2020	14.04.2023	1,400.00	1,400.00
	6.99% Taxable (E) 2019	11.09.2019	11.11.2022	1,370.00	1,370.00
	7.05% Taxable (D) 2019	13.08.2019	13.10.2022	1,190.00	1,190.00
	7.34% Taxable (C) 2019	18.07.2019	16.09.2022	1,250.00	1,250.00
	7.62% Taxable (B) 2019	20.06.2019	15.07.2022	1,000.00	1,000.00
	8.34% Taxable (E) 2018	11.01.2019	11.07.2022	1,000.00	1,000.00
	7.61% Taxable (A) 2019	07.06.2019	22.06.2022	1,485.00	1,485.00
	8.23% Taxable (D) 2018	28.12.2018	15.04.2022	930.00	930.00
	8.40% Taxable (C) 2018	11.12.2018	11.04.2022	980.00	980.00
	8.46% Taxable (B) 2018	05.12.2018	15.02.2022	1,000.00	1,000.00
	7.63% Taxable (A) 2018	03.04.2018	03.05.2021	100.00	100.00
	7.68% Taxable (G) 2017	27.03.2018	05.04.2021	460.00	460.00
	7.14% Taxable (B) 2017	22.11.2017	22.12.2020	-	700.00
	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
	Sub-total			18,515.00	14,730.00
I (b)	Unamortised fees, charges & Other Expenses			(11.52)	(10.54)
	Total Non cumulative Bonds			18,503.48	14,719.46
I (c)	HUDCO Bonds- Cumulative redeemable at par				
	7.73% Taxable (D) 2017	21.02.2018	15.04.2021	675.00	675.00
	Unamortised fees, charges & Other Expenses			0.04	(0.22)
	Total Cumulative Bonds			675.04	674.78
I (c)	Special Priority Sector Bonds - II	Date of Allotment			
	SPS Bonds - II (Exim Bank)	06.12.1999		26.99	43.64
	{Refer Sub detail II (a)(i) of SPS Bonds}			26.99	43.64
	In lieu of the USD deposit of USD 50 million (outstanding USD 6.22 million as on 31.03.2021) with Exim Bank under the swap arrangement in respect of ADB loan, Exim Bank has subscribed to 12.75% Special Priority Sector Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 15.12.2020) for ₹ 217 crore (outstanding ₹ 26.99 crore as on 31.03.2021), which are co-terminus with the loan maturity schedule of the underlying ADB loan, from 15.12.2002 to 15.06.2022.				

NOTE 17 : (Contd.)

S.No.	Particulars	Date of Allotment	Date of redemption	As at 31 st March, 2021	As at 31 st March, 2020
I (d)	PMAY (U) GOI Fully Serviced Bonds #				
	8.37% Taxable (VI) 2018 @	25.03.2019	25.03.2029	5,000.00	5,000.00
	8.41% Taxable (V) 2018 @	15.03.2019	15.03.2029	5,320.00	5,320.00
	8.58% Taxable (IV) 2018 @	14.02.2019	14.02.2029	2,563.10	2,563.10
	8.38% Taxable (III) 2018 @	30.01.2019	30.01.2029	2,066.90	2,066.90
	8.52% Taxable (II) 2018 @	28.11.2018	28.11.2028	2,050.00	2,050.00
	8.60% Taxable (I) 2018 @	12.11.2018	12.11.2028	3,000.00	3,000.00
	Sub-total Gol Bonds			20,000.00	20,000.00
	Unamortised fees, charges & Other Expenses			-	-
	Total Gol Bonds			20,000.00	20,000.00
@	Interest payable on semi-annual basis.				
#	Repayment of Principal & Interest payment in respect of Loans of ₹ 20,000 crore extended to BMTPC, raised by issue of Government of India fully serviced Bonds shall be met by Government of India by making suitable provisions in the budget of Ministry of Housing and Urban Affairs.				

Sub- Details of Special Priority Sector Bonds

S.No.	Date of drawal / Institution	Rate on drawal	No. of Bonds to be re-deemed	Amount of Bonds to be redeemed	Rate of Interest as on 31.03.2021	Frequency of repayment	Redemption Details
(a)	Secured Bonds						
(i)	SPECIAL PRIORITY SECTOR BONDS- I						
	SPS Bond Series C (Bank of India)	12.00%	84	4.20	@ 1 year G.Sec. + 350 bps p.a. Currently the ROI is 7.23% p.a.	Semi-Annual	10 th June, 2022
	SPS Bond Series C (Bank of India)	12.00%	84	4.20			10 th December, 2021
	SPS Bond Series C (Bank of India)	12.00%	80	4.00			10 th June, 2021
	Total Special Priority Sector Bonds - I			12.40			
(a)	Unsecured Bonds						
(ii)	SPECIAL PRIORITY SECTOR BONDS - II						
	SPS Bond Series II (EXIM Bank)	12.75%	927	9.27	12.50%	Semi-Annual	15 th June, 2022
	SPS Bond Series II (EXIM Bank)	12.75%	900	9.00			15 th December, 2021
	SPS Bond Series II (EXIM Bank)	12.75%	872	8.72			15 th June, 2021
	Total Special Priority Sector Bonds - II			26.99			

(₹ in crore)

NOTE 18 : BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Term loans								
I	Secured								
(a)	From Banks								
(i)	Bank of India * {Refer Sub-detail of borrowings (A) (i)}	18.64	-	-	18.64	30.15	-	-	30.15
(b)	From other parties								
(i)	National Housing Bank ** {Refer Sub-detail of borrowings (A) (ii)}	1,346.00	-	-	1,346.00	2,788.64	-	-	2,788.64
	Total Secured Loan A-I	1,364.64	-	-	1,364.64	2,818.79	-	-	2,818.79
II	Unsecured								
(a)	From Banks								
(i)	6.50% p.a. from Karnataka Bank (ST) (repayable on or before 17.06.2020)	-	-	-	-	500.00	-	-	500.00
(ii)	6.75% p.a. from Federal Bank Ltd. (ST) (repayable on or before 18.04.2020)	-	-	-	-	499.96	-	-	499.96
(iii)	6.75% p.a. from Bank of India (ST) (repayable on or before 31.03.2021)	-	-	-	-	1,120.04	-	-	1,120.04
(iv)	6.75% p.a. from Punjab National Bank (ST) (repayable on or before 22.03.2021)	-	-	-	-	700.00	-	-	700.00
(b)	From Other Parties								
(i)	LOANS FROM FINANCIAL INSTITUTIONS :								
	India Infrastructure Finance Company Ltd. \$\$	1,294.00	-	-	1,294.00	1,294.00	-	-	1,294.00
(ii)	US Capital Market {Guaranteed by USAID & Counter Guaranteed by Canara Bank @ 0.5% of the outstanding Loan} {Refer Sub-detail of borrowings (B) I iii (a) and (b)}								
	USAID II								
	6 months LIBOR for US \$ + 0.035% p.a. (USAID-2)								
(a)	Swapped with ICICI Bank #	11.02	-	-	11.02	18.85	-	-	18.85
(b)	Unswapped Portion	58.83	-	-	58.83	60.13	-	-	60.13
	USAID I								
	6 months LIBOR for US \$ + 0.18% p.a.(USAID-1) ##	18.60	-	-	18.60	20.72	-	-	20.72
(iii)	Japan Bank for International Corporation (JBIC) ### {Refer Sub-detail of borrowings - (B) I (i)} Unswapped Portion of JBIC	58.52	-	-	58.52	91.73	-	-	91.73

NOTE 18 : (Contd.)

S.No.	PARTICULARS	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
(iv)	Asian Development Bank (ADB) ## ^ {Refer Sub-detail of borrowings (B) I (ii)} 6 months LIBOR for US \$ +0.40% p.a.	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
		92.03	-	-	92.03	152.44	-	-	152.44
		1,533.00			1,533.00	4,457.86			4,457.86
		2,897.64	-	-	2,897.64	7,276.65	-	-	7,276.65
		Total Unsecured Loans A- II							
B	Borrowings in India Borrowings outside India	2,658.64	-	-	2,658.64	6,932.79	-	-	6,932.79
		239.00	-	-	239.00	343.86	-	-	343.86
		2,897.64	-	-	2,897.64	7,276.65	-	-	7,276.65
	Total (B) to tally with (A)	2,897.64	-	-	2,897.64	7,276.65	-	-	7,276.65

Note: The Company has only amortised cost category to present this schedule.

* Secured by lien over Certificate of Deposits for US \$ 3.73 million (Previous year US \$ 6.04 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)

** Secured by Bank guarantee for an amount of ₹ 600 crore (previous year ₹ 1,175.00 crore) [being 25% of loan amount of ₹ 2,400 crore (previous year ₹ 4,700 crore) sanctioned/disbursed 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.

\$\$ ₹ 1,294 crore availed on 19.03.2020 @6.57% p.a. (Fixed) payable quarterly, for a period of 3 years i.e. repayable on 19.03.2023 by way of bullet repayment.

Principal only Swap for US \$ 4.50 million (Outstanding US \$ 1.50 million as on 31.03.2021) with ICICI Bank was executed on 16.07.2018 effective from 18.07.2018 (for 4.5 years upto 14.09.2022) at spot rate of ₹ 68.68 and swap premium of 4.2479%, payable semi-annually.

Under the swap arrangement with EXIM Bank, HUDCO has remitted US \$ 10 million to EXIM Bank against which EXIM Bank has subscribed to 12.75% HUDCO Special Infrastructure Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 23.09.2020) amounting to ₹ 43.60 crore which are co-terminus with the loan maturity schedule of the underlying USAID guaranteed loan.

Guaranteed by Central Government as to the repayment of principal and interest.

^ HUDCO had availed a loan of US \$ 100 million from Asian Development Bank (ADB) (US \$ 50 million during the years 1997-98 and 1998-99 and the balance US \$ 50 million during 1999-2000). These loans are guaranteed by the Government of India and repayable in half yearly installments by June 2022.

^ These dollar funds were placed as deposits with Bank of India, Cayman Island Branch, USA (US \$ 50 million) and EXIM Bank (US \$ 50 million) in terms of agreements with these Banks. The deposits are co-terminus with the loan maturity schedule of the underlying ADB loan. In lieu of the USD deposit of US \$ 20 million, Bank of India has subscribed to 12.00% Special Priority Sector Bonds (I) for ₹ 100 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 350 bps, presently @ 7.23%), outstanding as on 31.03.2021, being ₹ 12.40 crore. Further, in lieu of USD deposit of US \$ 30 million, Bank of India has extended a loan of ₹ 150 crore (rate of interest to be reset on annual basis @ 1 year G-Sec plus 340 bps, presently @ 7.13%), outstanding as on 31.03.2021, being ₹ 18.64 crore. Similarly, in lieu of the balance US \$ deposit of USD 50 million, EXIM Bank has subscribed to 12.75% Special Priority Sector Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 15.12.2013) for ₹ 217 crore (₹ 26.99 crore as on 31.03.2021), which are co-terminus with the loan maturity schedule of the underlying ADB loan. Also refer Note 18(A)(i)(a), Note 17(A)(i)(a)(ii) and (A)(i)(b)(iii).

NOTE 18 : (Contd.)**Sub-Details of Borrowings**

(₹ in crore)							
S.No.	Institution/ Date of drawal	Rate on drawal	Amount Drawn	Amount Outstanding	Rate of interest as on 31 st March, 2021	Frequency of repayment	Redemption Details
A Secured Loan							
I	Bank of India - 15.02.1999	12.50%	150.00	18.64	@ 1 year G-Sec + 340 bps p.a. Currently the ROI is 7.13% p.a	Semi-Annual (10 th June & 10 th Dec.)	Repayable from 10.06.2021 to 10.06.2022
	Total - Bank of India			18.64			
II	National Housing Bank - 28.06.2019 - 31.08.2017 - 30.06.2017 - 22.03.2017	4.68% 4.86% 4.86% 5.11%	400.00 500.00 500.00 1,000.00	295.00 320.38 141.02 589.60	4.68% 4.86% 4.86% 5.11%	Quarterly (1 st April, July, Oct. & Jan.)	1 st April, 2026 1 st July, 2027 1 st April, 2027 1 st Jan., 2027
	Total National Housing Bank			1,346.00			
B Unsecured Loan							
S.No.	Institution/ Date of drawal	Foreign Currency	Amount drawn (in foreign Currency amounts in Millions)	Amount Outstanding in INR (₹ in crore)	Rate of interest as on 31.03.2021	Frequency of repayment	Redemption Details
I LOANS IN FOREIGN CURRENCY (NON CURRENT) :							
(i)	- Loan from JBIC						
	- 28.03.1997	JPY	1,157.16				
	- 27.03.1998	JPY	406.00				
	- 31.03.1999	JPY	944.65				
	- 22.06.1999	JPY	1,159.92				
	- 16.11.1999	JPY	241.34				
	- 17.03.2000	JPY	3,613.47				
	- 06.10.2000	JPY	67.60				
	- 10.11.2000	JPY	176.27				
	- 15.12.2000	JPY	295.15				
	- 27.02.2001	JPY	351.39				
	- 30.03.2001	JPY	257.05				
	Loan outstanding out of above		870.45	58.52	2.10% p.a. (fixed)	Semi-Annual	Repayable from 20.07.2021 to 20.07.2023
	Total JBIC			58.52			

NOTE 18 : (Contd.)

S.No.	Institution/ Date of drawal	Rate on drawal	Amount Drawn	Amount Outstanding	Rate of interest as on 31 st March, 2021	Frequency of repayment	Redemption Details
(ii)	- Loan from Asian Development Bank	- 31.12.1997	US \$ 20.00	-	@ 6M LIBOR for US \$ + 0.40% p.a. Currently the ROI is 0.64875% p.a.	Semi-Annual	Repayable from 15.06.2021 to 15.06.2022
	- 13.11.1998	US \$ 30.00	-	-			
	Swapped US \$ outstanding Loan out of above with Bank of India	US \$ 6.22	6.22	46.32			
	- 06.12.1999	US \$ 50.00	50.00	-			
	Swapped US \$ outstanding Loan out of above with EXIM Bank	US \$ 6.22	6.22	45.71			
	Total Asian Development Bank			92.03			
(iii) (a)	- Loan from US Capital Market				12.50% p.a.	Semi-Annual	Repayable from 23.09.2021 to 23.09.2029
	- USAID-1						
	- 24.09.1999	US \$ 10.00	10.00	-			
	Swapped US \$ outstanding Loan out of above with EXIM Bank	US \$ 4.25	4.25	18.60			
(b)	- USAID-2				@ 6M Libor for US \$ + 0.035% p.a. Currently the ROI is 0.22775% p.a. in addition Principal only SWAP premium @ 4.2479%	Semi-Annual	Repayable from 15.09.2021 to 15.09.2030
	- 28.09.2000	US \$ 20.00	20.00	-			
	Swapped US \$ outstanding Loan out of above with ICICI Bank	US \$ 1.50	1.50	11.02			
	Unswapped US \$ outstanding Loan out of above	US \$ 8.00	8.00	58.83			
	Total USAID			88.45			

NOTE 19 : DEPOSITS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021				As at 31 st March, 2020			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Public Deposits @ 6.55% to 8.75% p.a. [Refer Details of Deposits - (I)]	22.77	-	-	22.77	168.47	-	-	168.47
	TOTAL (A)	22.77	-	-	22.77	168.47	-	-	168.47

Note : The Company has only "Amortised cost category" to present this schedule.

Details of Deposits

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	PUBLIC DEPOSITS (Current)		
(i)	@ 6.55% p.a. to 8.75% p.a. [Refer Sub Details of Deposits] Repayable within one year	18.79	145.07
	PUBLIC DEPOSITS (Non-Current)		
(ii)	@ 6.55% p.a. to 8.75% p.a. [Refer Sub Details of Deposits] Repayable over a period of two to seven years	3.98	23.40
	TOTAL A	22.77	168.47

Sub Details of Deposits

S.No.	Institution/ Date of drawal	Amount Outstanding in INR (₹ in crore)	Redemption Details
A	Public Deposits repayable for more than 12 months		
	- April, 2024 - March, 2025	0.07	Repayable after period of one year
	- April, 2023 - March, 2024	1.64	
	- April, 2022 - March, 2023	2.28	
	Sub Total A	3.99	
B	Public Deposits repayable within 12 months		
	- October, 2021 to March, 2022	7.03	Repayable within one year
	- September, 2021	1.81	
	- August, 2021	2.37	
	- July, 2021	1.02	
	- June, 2021	2.54	
	- May, 2021	1.83	
	- April, 2021	2.19	
	Sub Total B	18.79	
	Total Public Deposits *	22.78	

* Ind-AS Adjustments in Total Public Deposits is for 0.01 crore. Brokerage has been amortised on SLM basis.

NOTE 20 : OTHER FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Interest accrued but not due		
(i)	Secured loans	313.81	314.98
(ii)	Unsecured loans	1,069.68	872.49
	Sub-total (A)	1,383.49	1,187.47
B	Others		
(i)	Security and other deposits	10.22	10.02
(ii)	Security, Earnest money and other deposits	5.43	6.08
(iii)	Unclaimed liability #		
(a)	-Dividend	0.63	0.48
(b)	-Bonds	0.50	0.50
(c)	-Public Deposits	0.33	0.62
(d)	-Interest accrued and due on Bonds	9.51	7.81
(e)	-Interest accrued and due on Public Deposits	0.03	0.11
(iv)	KfW R & D account	39.38	39.73
(v)	KfW Interest account	9.87	9.87
(vi)	Amount received from KfW	97.55	97.55
(vii)	Grant / Subsidy received from different Ministries/Agencies	4.75	4.66
(viii)	Amt payable to Ministry - BCP	1.26	1.24
(ix)	Amount Payable to Staff	89.59	91.50
(x)	Other Expenses on Borrowings Payable	0.02	0.02
(xi)	Interim Dividend Payable	15.30	-
(xii)	Others Liabilities *	61.46	181.76
	Sub-total (B)	345.83	451.95
	Total (A + B)	1,729.32	1,639.42
*	Includes ₹ 0.03 crore (Previous Year ₹ 0.03 crore) on account of Andrews Ganj Project		
#	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 ₹ 11.00 crore (Previous Year ₹ 9.52 crore) were due and unclaimed as on 31 st March, 2021. During the year 2020-21 an amount of ₹ 0.13 crore (Previous Year 0.03 crore) has been transferred to IEPF after completion of statutory period of seven years. (Refer S.No. 15 of Note 40- Explanatory Notes)		

NOTE 21 : PROVISIONS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Provision for employee benefits		
(i)	Leave encashment	44.05	41.96
(ii)	Post retirement medical benefit	171.43	158.21
(iii)	Welfare expenses	1.94	1.90
(iv)	Gratuity (Funded)	-	2.14
(v)	Provident Fund (Funded)	35.21	16.44
	Sub-total (A)	252.63	220.65
B	Others		
(i)	Provision for CSR	80.19	-
	Total (A+B)	332.82	220.65

NOTE 22 : DEFERRED TAX LIABILITY

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Deferred Tax Liabilities	1,407.94	1,237.35
B	Deferred Tax Assets	774.26	823.80
	Net Deferred Tax Liabilities (A - B)	633.68	413.55

Details of Deferred Tax

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
	Liabilities		
(a)	Derivative Financial Instruments	0.17	0.40
(b)	Investments	24.28	23.24
(c)	Investment Property, Plant and Equipment	3.76	3.93
(d)	Other Non-Financial Assets	3.20	-
(e)	Debt Securities	12.82	16.54
(f)	Deposits	-	0.04
(g)	Other Financial Liabilities	0.12	8.34
(h)	Other Non- Financial Liabilities	-	0.32
(i)	Other Equity	1,363.59	1,184.54
	Total Deferred Tax Liabilities	1,407.94	1,237.35
	Assets		
(a)	Loans	705.75	751.33
(b)	Receivable	4.60	4.24
(c)	Other Financial Assets	0.01	2.20
(d)	Other Non-Financial Assets	0.08	4.31
(e)	Borrowings	0.53	6.19
(f)	Provisions	63.29	55.53
	Total deferred Tax Assets	774.26	823.80
	Net Deferred Tax Liability	633.68	413.55

NOTE 23 : OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
(a)	Amount received in advance	8.73	1.16
(b)	Other Liabilities	63.04	50.40
(c)	Revenue received in advance	3.51	3.41
(d)	Unamortised Deferred Security Deposit	0.30	0.70
(e)	Finance Lease Liability	0.01	0.01
	Total	75.59	55.68

NOTE 24: EQUITY SHARE CAPITAL

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2021	As at 31 st March, 2020
A	Authorised 2,500,000,000 equity shares of ₹ 10/- each (previous year 2,500,000,000 equity shares of 10/- each)	2,500.00	2,500.00
B	Issued, Subscribed and Paid up 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash (previous year 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash)	2,001.90	2,001.90
		2,001.90	2,001.90

Note 24 (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 st March, 2021		As at 31 st March, 2020	
		Number of Shares	(₹ in crore)	Number of Shares	(₹ in crore)
(a)	Shares at the beginning of the year	2,00,19,00,000	2,001.90	2,00,19,00,000	2,001.90
(b)	Add: Shares issued during the year	-	-	-	-
(c)	Shares at the end of the year (c) = (a+b)	2,00,19,00,000	2,001.90	2,00,19,00,000	2,001.90

Note 24 (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 24 (c) Shares in the Company held by each shareholder holding more than 5 percent shares:

S.No.	Name of Shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
		Number of Shares	% of Holding	Number of shares held	% of Holding
1	The President of India through :				
	(a) Ministry of Housing and Urban Affairs	1,38,28,41,253	69.08	1,38,28,41,253	69.08
	(b) Ministry of Rural Development	41,50,00,000	20.73	41,50,00,000	20.73
	Sub Total 1 (a+b)	1,79,78,41,253.00	89.81	1,79,78,41,253.00	89.81
2	Others	20,40,58,747	10.19	20,40,58,747	10.19
	Total (1+2)	2,00,19,00,000.00	100.00	2,00,19,00,000.00	100.00

NOTE 25 : SCHEDULE OF CHANGE IN EQUITY : OTHER EQUITY

(₹ in crore)

S.No.	Particulars	Reserves and Surplus							Total
		Secur- ities Pre- mium (Bonds) *	Statutory Reserves			Other Reserves		Retained Earning General Reserve	
			Deben- ture/Bond Redemp- tion Re- serve **	Special Reserve ***	Impair- ment Re- serve#	Capital (KfW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	Surplus
1	Balance as on 01st April, 2019 Final Dividend for the year 2018-19 Dividend Distribution Tax on above. Profit during FY 2019-20 Other Comprehensive Income for the year 2019-20 Total Comprehensive Income for the year 2019-20 Transferred from Surplus to DRR Transferred from Surplus to Reserve for Bad & Doubtful Debt Transferred from Surplus to Special Reserve Use of Reserve for Bad & Doubtful Debts against Principal Waiver Interim Dividend during FY 2019-20 Dividend Distribution Tax on above	1.26	2,997.21	4,295.19	-	59.96	72.07	86.86	35.67 (30.03) (6.17) 1,708.20 (16.64) 1,691.56 (439.83) (93.08) (500.00) -
									1,405.08 (30.03) (6.17) 1,708.20 (16.64) 1,691.56 (439.83) (93.08) (500.00) -
2	Balance as at 1st April, 2020 Final Dividend for 2019-20 Profit during FY 2020-21 Other Comprehensive Income for the year 2020-21 Total Comprehensive Income for the year 2020-21 Transferred to from Surplus to General Reserve Transferred to from Surplus to Impairment Reserve Transferred from Surplus to DRR Transferred from Surplus to Reserve for Bad & Doubtful Debt Use of Reserve for Bad & Doubtful Debts against Principal Waiver Interim Dividend during FY 2020-21	1.26	3,437.04	4,795.19	-	59.96	72.07	93.08	477.12 (470.44) 1,578.50 (19.37) 1,559.13 -
									1,405.08 (470.44) 1,578.50 (19.37) 1,559.13 -
3	Balance as at 31st March, 2021 Interim Dividend during FY 2020-21	1.26	3,876.87	5,235.19	161.81	59.96	72.07	89.00	285.03 (150.14)
									1,405.08 (150.14) 11,185.84
*	Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement.								
**	1.) Prior to the issuance of circular No. 04/2013 dated 11.02.2013, issued by the Ministry of Corporate Affairs (MCA), the Company had to create a Debenture / Bond Redemption Reserve (DRR / BRR) equivalent to 50% of the value of bonds issued (based on repayment tenure of respective bonds) through public issue, before the commencement of redemption of respective bonds as per the then prevalent SEBI Debt Regulations and Section 117 C of the Companies Act, 1956. The creation of DRR / BRR was revised to 25% after issuance of the above circular.								
**	2.) The Company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, 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.								
***	Created u/s 36(1) (viii) of the Income Tax Act, 1961 and u/s 29C of NHB Act, 1987 (upto Financial Year 1996-97) amounting to ₹ 181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹ 5063.44 crore.								
#	Refer Point no. 6 of Explanatory Note 40.								

NOTE 26 : INTEREST INCOME

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2021			Year Ended 31 st March, 2020		
		On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss
(i)	Interest on Loans	-	7,167.37	-	-	7,456.64	-
	Less: Interest waived off	-	0.22	-	-	0.74	-
	Net Interest on Loan - Sub Total (i)	-	7,167.15	-	-	7,455.90	-
(ii)	Interest Income from Investments	-	0.48	-	-	21.89	-
(iii)	Interest on Deposits with Banks	-	-	-	-	-	-
	- Scheduled Bank - Indian Branches	-	3.54	-	-	0.04	-
	- Scheduled Bank - Foreign Branches	-	0.75	-	-	2.42	-
	- Financial Institution - EXIM BANK	-	0.70	-	-	2.32	-
	Interest on Deposit Sub Total (iii)	-	4.99	-	-	4.78	-
(iv)	Interest on Loan against Public Deposits	-	-	-	-	-	-
(v)	Others - PPE Finance Lease Liability	-	-	-	-	-	-
	Total (i+ii+iii+iv+v)	-	7,172.62	-	-	7,482.57	-

Note : Includes interest income on loan of ₹ 20,000 crore extended to BMTPC, raised by issue of "GOI fully service bonds" as Central Assistance to State/UTs/CNAs for implementation of PMAY (U).

NOTE 27 : NET GAIN/ (LOSS) ON FAIR VALUE CHANGES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021	Year ended 31 st March, 2020
A	Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
(ii)	On financial instruments designated at fair value through profit or loss		
	- Investments	9.77	(5.53)
	- Derivatives	(0.95)	(13.68)
	Total A	8.82	(19.21)
B	Total Net gain/(loss) on fair value changes		
(i)	Fair Value changes:		
	-Realised	-	-
	-Unrealised	8.82	(19.21)
	Total Net gain/(loss) on fair value changes(B) to tally with (A)	8.82	(19.21)

Note: Fair value changes in this schedule are other than those arising on account of interest income/expenses.

NOTE 28 : OTHER INCOME

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021	Year ended 31 st March, 2020
(i)	Net gain/(loss) on derecognition of property, plant and equipment	-	0.01
(ii)	Net gain on foreign currency transaction and translation (other than finance cost)	4.94	-
(iii)	Interest on Staff Advances	4.53	4.28
(iv)	Interest on Income Tax Refund	-	2.50
(v)	Interest on Construction Project	27.59	27.20
(vi)	Overhead Charges on Construction Project	0.04	0.07
(vii)	Management Development Programme	0.47	1.13
(viii)	Miscellaneous Income	5.28	4.23
(ix)	Excess Provision of Interest on short Income tax written back	0.30	0.10
	Total	43.15	39.52

NOTE 29 : FINANCE COSTS

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost
(i)	Interest on Debt Securities				
	a.) Secured	-	1,392.98	-	1,397.50
	b.) Unsecured	-	3,040.79	-	2,871.86
(ii)	Interest on borrowings (other than Debt Securities)				
	a.) Secured	-	94.76	-	186.09
	b.) Unsecured				
	-Indian	-	219.48	-	353.30
	-Foreign	-	8.22	-	14.88
(iii)	Interest on Deposits	-	7.96	-	18.88
(iv)	Interest on Income Tax	-	0.50	-	2.00
(v)	Net Loss in Foreign Currency Translation and Transaction	-	-	-	3.03
(vi)	Interest on Security Deposit & Deposit for Services	-	-	-	(0.05)
(vii)	PDS Brokerage	-	0.13	-	0.32
	Total	-	4,764.82	-	4,847.81

NOTE 30 : EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		Directors' *	Total	Directors' *	Total
(i)	Salaries and wages	0.87	181.90	1.27	206.36
(ii)	Gratuity	-	2.75	(0.03)	2.13
(iii)	Contribution to provident and other funds	0.07	11.55	0.09	19.73
(iv)	Staff welfare expenses	-	2.00	-	3.16
(v)	Insurance	-	0.45	-	0.18
(vi)	Group saving linked Insurance premium	-	0.02	-	0.02
(vii)	Staff Development/Training	-	0.11	0.01	0.31
(viii)	Administrative Charges - Provident/Hudco Pension Fund	-	0.41	-	0.35
(ix)	HUDCO Pension Fund	-	6.98	0.09	6.75
(x)	Contribution to Benevolent Fund	-	0.08	-	0.03
	Total	0.94	206.25	1.43	239.02

* Includes provision/payment for directors and included in total.

Note: The expenditure of salaries & wages is inclusive of expenditure on EL/HPL paid or payable.

NOTE 31 : IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost
(i)	Loans	-	(185.90)	-	0.53
(ii)	Investments	-	-	-	-
(iii)	Other Assets	-	0.49	-	0.59
(iv)	Principal Waiver / Written Off	-	111.78	-	154.64
	Total	-	(73.63)	-	155.76

NOTE 32 : OTHER EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year ended 31 st March, 2021		Year ended 31 st March, 2020	
		Directors'	Total	Directors'	Total
A	ADMINISTRATIVE				
(i)	Office Rent	-	1.59	-	1.18
(ii)	Repairs & Maintenance to Building	-	11.38	-	11.21
(iii)	Repairs & Maintenance to Other Assets	-	0.96	-	1.00
(iv)	Repairs & Maintenance to Vehicle	-	0.24	-	0.33
(v)	Loss on sale of Investment	-	-	-	0.21
(vi)	Insurance	-	0.14	-	0.14
(vii)	Rates & Taxes	-	2.85	-	2.29
(viii)	Travelling	0.03	0.60	0.25	3.62
(ix)	Legal & Professional Fee	-	6.56	-	5.98
(x)	Auditors Remuneration :				
(a)	Audit Fees				
	- Current Year	-	0.23	-	0.23
	- Previous Year (Arrears)	-	-	-	-
(b)	Tax Audit Fees				
	- Current Year	-	0.10	-	0.10
	- Previous Year (Arrears)	-	-	-	-
(c)	Other Services	-	0.15	-	0.17
(d)	Reimbursement of expenses	-	-	-	0.02
(xi)	Electricity	-	2.54	-	2.15
(xii)	Printing, Stationery & Photocopying	-	0.50	-	1.14
(xiii)	Postage, Telegram, Telephone & Telex	-	1.40	-	2.22
(xiv)	Advertisement, Publicity & Sponsorship	-	1.13	-	3.25
(xv)	Exhibition & Conference (Net)	-	-	-	0.12
(xvi)	Subscription & Membership	-	0.07	-	0.14
(xvii)	Miscellaneous #	0.01	25.55	0.15	32.27
	Total A	0.04	55.99	0.40	67.77
B	OTHER EXPENSES				
(i)	Grant in Aid/ R & D expenditure	-	-	-	0.20
(ii)	Expenses on Consultancy	-	0.29	-	0.27
(iii)	Expenses on Management Development Programme	-	0.21	-	1.24
(iv)	Research and Development Plan	-	0.22	-	0.64
	Total B	-	0.72	-	2.35
	Total (A+B)	0.04	56.71	0.40	70.12

Includes ₹ NIL (previous year ₹ 0.14 crore) on account of sitting fee paid to directors.

NOTE 33 : CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in crore)

Particulars	1 st April, 2020	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2021
Debt securities	53,991.49	4,060.65	-	-	5.41	58,057.55
Borrowings other than debt Securities	7,276.65	(4,373.31)	(0.95)	(3.99)	(0.76)	2,897.64
Deposits	168.47	(145.83)	-	-	0.13	22.77
Total Liabilities from financing activities	61,436.61	(458.48)	(0.95)	(3.99)	4.78	60,977.96
Particulars	1 st April, 2019	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2020
Debt securities	51,236.78	2,752.08	-	-	2.63	53,991.49
Borrowings other than debt Securities	8,322.02	(1,048.68)	(11.82)	14.85	0.28	7,276.65
Deposits	289.16	(121.01)	-	-	0.32	168.47
Total Liabilities from financing activities	59,847.96	1,582.39	(11.82)	14.85	3.23	61,436.61

NOTE 34 : CAPITAL

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are safety and security of share capital and maximize the shareholder wealth.

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator Viz., RBI/NHB. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI/NHB.

Company has complied in full with all its externally imposed capital requirements over the reported period.

Regulatory Capital (NHB/RBI)

	31 st March, 2021*	31 st March, 2020**
	(₹ in crore)	(₹ in crore)
Tier I (NOF)	12,941.04	11,978.46
Tier II	186.29	94.20
Risk Wtd. Assets	20,507.00	21,765.85
	31 st March, 2021*	31 st March, 2020**
CRAR	(%)	(%)
CRAR - Tier I Capital	63.11%	55.03%
CRAR - Tier II Capital	0.91%	0.43%
Amount of subordinated debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

* CRAR based on provisional and unaudited Ind-AS accounts as on 31st March, 2021.

** Previous year's figures have been changed on the basis of audited accounts.

NOTE 35 : Revenue from the Contractors with customers (Ind AS – 115)

Particulars	2020-21 (₹ in crore)	2019-20 (₹ in crore)
Sale of Services		
- Consultancy, Trusteeship and Consortium	2.71	3.95
Fees and Commission Income	6.39	6.27
Total revenue from contracts with customers	9.10	10.22
Timing of revenue recognition		
Services transferred at a point in time	6.39	6.27
Services transferred over time	2.71	3.95

The Company has not recognized any contract balances as at the reporting date.

NOTE 36 : FAIR VALUE MEASUREMENT
36.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

36.2. Valuation governance

The Company's fair value methodology and the governance over its models include a number of controls and other procedures to ensure enough safeguards and maintain its quality and adequacy. All new product initiatives (including their valuation methodologies) are as per the approved policy of the Company. The ongoing measurement on fair value estimates is reviewed by the appropriate functional department of the Risk management and related finance functions.

36.3. Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

(₹ in crore)

Particulars	31 st March, 2021				31 st March, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Derivative financial instruments								
- Interest Rate Swaps	-	-	-	-	-	-	-	-
- Currency Swaps	-	0.66	-	0.66	-	1.61	-	1.61
- Forward Contract	-	-	-	-	-	-	-	-
Total Derivative financial instruments	-	0.66	-	0.66	-	1.61	-	1.61
Financial Assets at fair value through profit or loss								
- Mutual Fund	-	68.82	-	68.82	-	66.18	-	66.18
- Equities	-	0.11	172.35	172.46	-	0.10	165.23	165.33

NOTE 36 : (Contd.)

(₹ in crore)

Particulars	31 st March, 2021				31 st March, 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Total Financial Assets at FVTPL	-	68.93	172.35	241.28	-	66.28	165.23	231.51
Total Assets measured at fair value	-	69.59	172.35	241.94	-	67.89	165.23	233.12
Liabilities measured at fair value								
Derivative Financial Instruments								
- Currency Swaps	-	-	-	-	-	-	-	-
- Interest Rate Swaps	-	-	-	-	-	-	-	-
Total Derivative financial instruments	-	-	-	-	-	-	-	-
Total Financial liabilities measured at fair value	-	-	-	-	-	-	-	-
Assets for which fair value are disclosed								
Investment Property (Refer Note 14A)		753.94				495.36		

36.4. Valuation techniques

Mutual fund

Mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme.

Equity instruments

Equity instruments which are not actively traded on public stock exchanges but the active prices on a regular basis are available. Such instruments are classified as Level 2. Other equity instruments are fair valued based on the average of the discounted cash flow method and Net assets value (as provided by independent valuer). It is classified as Level 3.

Interest rate swaps, Currency swaps and Forward rate contracts

The most frequently applied valuation techniques include forward pricing and swap models and forward contract using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are classified under Level 2.

36.5. Valuation adjustments and other inputs and considerations

Credit Valuation Adjustments (CVA)

The Company calculates CVA on a counterparty basis over the entire life of the exposure.

The Company applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Company concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2020-21 and 2019-20.

36.6. Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

NOTE 36 : (Contd.)

Particulars	2020-21	2019-2020
Type of adjustment	(₹ in crore)	(₹ in crore)
Credit value adjustment	0.04	0.13
Total	0.04	0.13

36.7. Transfer between level 1 and level 2

There have been no transfers between Level 1 and Level 2 for the year ended 31st March, 2020 and 31st March, 2021.

36.8. Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. The Company requires significant unobservable inputs to calculate their fair value.

(₹ in crore)

31 st March, 2021	At 1 st April, 2020	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2021	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL) Equities	165.23	-	-	-	-	172.35	7.12
Total financial assets designated at FVTPL	165.23	-	-	-	-	172.35	7.12
Total financial assets measured at fair value	165.23	-	-	-	-	172.35	7.12

(₹ in crore)

31 st March, 2020	At 1 st April, 2019	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2020	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL) Equities	175.89	-	4.46	-	(6.31)	165.33	(6.10)
Total financial assets designated at FVTPL	175.89	-	4.46	-	(6.31)	165.33	(6.10)
Total financial assets measured at fair value	175.89	-	4.46	-	(6.31)	165.33	(6.10)

36.9. Changes in key assumptions and range of inputs**(a) Net Asset Value (NAV) Method:**

The Net Asset Value Method represents the value with reference to historical cost of assets owned by the Company and the attached liabilities on the valuation date.

NOTE 36 : (Contd.)
(b) Discounted Projected Cash Flow Method:

Discounted Projected Cash Flow valuation technique is used to calculate Impact on fair value of level 3 financial instruments measured at fair value using the following unobservable input such as Discount Rate, Recovery Rates, Interest Rate and Revenue from operations to ascertain the change.

(c) To arrive at fair value of unquoted investments average of Net Asset Value (NAV) and Discounted Projected Cash flow as on 31st March, 2021 is taken.

The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation.

All changes in the fair market value would be reflected in the Statement of profit and loss based on the classification FVTPL.

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities.

March, 2021

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% -10%	5% increase (decrease) in growth rate would result in an increase/(decrease) in fair value by: ₹20.62 crore.
	Weighted Average Cost of Capital (WACC)	14% - 16%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹ 3.02 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.71 crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹ 4.71 crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.71 crore).

March, 2020

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% -10%	5% increase (decrease) in growth rate would result in an increase/(decrease) in fair value by: ₹150.87 crore.
	Weighted Average Cost of Capital (WACC)	12% - 15%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: (₹10.96 crore).
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.21 crore).
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.21 crore).
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: (₹4.21 crore).

NOTE 36 : (Contd.)

36.10. Quantitative analysis of significant unobservable inputs

Interest rate volatility

Interest Rate volatility measures the expected future variability of a market price. It is generally quoted as a percentage; a higher number represents a more volatile instrument, for which larger swings in price (or interest rate) are expected. Volatility is a key input used to estimate the future prices for the underlying instrument (equity share). Interest rate volatility varies from time to time and therefore, it is not viable to make reliable and meaningful general statements about volatility levels.

Discount Rates

Discount rates are used for calculating the present value of future cash flows. In discounted cash flow models, discount rates are used as the direct reflection of the expected rate of return of the investments made by the Company in the due course of the business. Hence, these rates reflect the net present value of an asset. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments.

Recovery Rates

Recovery rates reflect the estimated loss that the Company will suffer given expected defaults (Non-performing Assets). The recovery rate is given as a percentage and reflects the opposite of loss severity (i.e. 100% recovery reflects 0% loss severity). In line with the operation of the Company, probability of Non-performing assets to loss assets plays an important role to ascertain the recovery rates. Higher loss severity levels / lower recovery rates indicate lower expected cash flows upon the default of the instruments. Recovery rates for complex, less liquid instruments are usually unobservable and are estimated based on historical data.

Revenue from operations

Revenue is the value of all sales of goods and services recognized by a Company in a period. Revenue (also referred to as Sales, Turnover, or Income) forms the beginning of a Company's Income Statement and often considered the "Top Line" of a business. Growth in revenue from operation directly impacts the profitability of the Company, as operation expenses are deducted from a Company's revenue to arrive at its profit.

36.11. Sensitivity of fair value measurements to changes in unobservable market data

Sensitivity of fair value measurements to changes in unobservable market data cannot be ascertained due to potential off-sets from economic or accounting hedge relationships in place.

36.12. Fair value of financial instruments not measured at fair value

Set out a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities

(₹ in crore)

Particulars	Carrying amount	31 st March, 2021				Carrying amount	31 st March, 2020			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Financial assets:										
Cash and cash equivalent	1,286.12	-	1,286.12	-	1,286.12	222.67	-	222.67	-	222.67
Bank balances other than cash and cash equivalent	141.28	-	141.28	-	141.28	200.14	-	200.14	-	200.14
Trade Receivables	7.93	-	7.93	-	7.93	6.24	-	6.24	-	6.24
Loans and advances to customers	74,291.89	-	-	74,291.89	74,291.89	74,267.92	-	-	74,267.92	74,267.92
Financial investments – at amortised cost	-	-	-	-	-	-	-	-	-	-

NOTE 36 : (Contd.)

Particulars	Carrying amount	31 st March, 2021				Carrying amount	31 st March, 2020			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Other financial assets	501.94	-	-	501.94	501.94	697.90	-	-	697.90	697.90
Total financial assets	76,229.16	-	1,435.33	74,793.83	76,229.16	75,372.87	-	427.05	74,965.82	75,691.54
Financial liabilities										
Trade payables	0.10	-	0.10	-	0.10	0.11	-	0.11	-	0.11
Debt securities	58,057.55	-	19,660.35	46,826.89	66,487.24	53,991.49	-	18,924.34	39,652.22	58,576.56
Borrowing other than debt securities	2,897.64	-	-	2,897.64	2,897.64	7,276.65	-	-	7,276.65	7,276.65
Deposits	22.77	-	-	22.77	22.77	168.47	-	-	168.47	168.47
Other financial liability	1,729.32	-	-	1,729.32	1,729.32	1,639.42	-	-	1,639.42	1,639.42
Total financial liabilities	62,707.38	-	19,660.45	51,476.62	71,137.07	63,076.14	-	18,924.45	48,736.76	67,661.21

36.12.1. Valuation Methodology of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Note 36.4.

Short-term financial assets and liabilities

For financial assets and financial liabilities, that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, Trade receivables, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers

The carrying amount of fixed interest rate bearing loans and floating interest rate bearing loans are taken as fair values. It is classified under Level 3.

Financial asset at amortised cost

The fair values of financial assets at amortised cost are the carrying amount of the financial asset. It is classified under Level 3.

Debt Securities

Fair value of traded bonds is market price of the bonds as on the balance sheet date or close to balance sheet date. It is classified as Level 2 since it is not actively traded. Fair value of non traded bonds is calculated based on discounted cashflow method (income approach) and it is classified as Level 3.

In case of Commercial Paper which is Current Liability i.e. short term maturity (less than or equal to twelve months), the face value of outstanding commercial paper is considered as fair value and is classified as Level 3.

Borrowing other than debt securities

The carrying amount of fixed interest rate bearing borrowings and floating interest rate bearing borrowings are taken as fair values, since these are reasonable approximation of their fair value. It is classified under Level 3.

NOTE 37: RISK MANAGEMENT

37.1. Introduction and risk management structure

Company, being a Housing Finance Company is exposed to various types of risks like credit risk, operational risk, liquidity risk, market risk and foreign currency risk. Company is fully committed to manage these risks in an effective and proactive manner, for which

NOTE 37 : (Contd.)

HUDCO has in place a Risk Management Policy and Operating Manual in line with its objectives covering both the internal and external environment. With a view to minimize the impact of various risks to which Company is exposed to, Company has in place a Board level Committee namely 'Risk Management Committee of the Board'(RMCB) which reviews various suggestions/ recommendations/reports and action taken by three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

HUDCO has effective Assets and Liabilities Management system. ALCO reviews the risks relating to Assets and Liabilities and ensures management of mismatches through liquidity gap analysis, interest rate sensitivity analysis as per NHB guidelines. It is ensured that the ALM risks, if any, are managed within the permissible limits.

The Credit Risk Management Committee (CRMC) oversees and ensures that the institution's credit policies are complied with and the procedures are being consistently applied.

The Operational Risk Management Committee (ORMC) oversees and ensures the implementation of operational risk framework to explicitly manage each and every source of operational risk including Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk.

37.2. Credit risk

For management of credit risks in an effective manner, Company has established a strong appraisal mechanism containing comprehensive appraisal techniques/ guidelines in order to ensure timely repayments of principal & interest amount.

37.2.1. Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the Company honours its obligation, but the counterparty fails to deliver the counter value.

37.2.2. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹74,291.89 crore and ₹74,267.92 crore as of 31st March, 2021 and 31st March, 2020 respectively, being the total of the carrying amount of balances with loans.

37.2.3. Analysis of risk concentration

HUDCO takes into consideration NHB/RBI norms for risk categorisation and the norms adopted for extending loan under HUDCO Niwas. Higher LTV is permissible for lower loan amounts while LTV reduces with the higher loan amounts. (Refer Note:10A)

31st March, 2021

LTV wise bifurcation:

For Retail portfolio:

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	6.29	0.61	0.91	7.81
41%-60%	9.82	1.17	3.25	14.24
61%-80%	56.83	4.99	9.47	71.29
More than 80%- Individual and bulk loan	7.92	0.63	5.13	13.68
More than 80%- bulk loan	173.29	-	-	173.29
Total	254.15	7.40	18.76	280.31

NOTE 37 : (Contd.)

Customer profile

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	39,377.13	5,930.22	402.57	45,709.92
Government - Urban Infrastructure	26,183.58	980.09	148.90	27,312.57
Non-Government	-	-	2,483.79	2,483.79
Retail	254.15	7.40	18.76	280.31
Total	65,814.86	6,917.71	3,054.02	75,786.59

Loan Commitments:

Customer profile:

(₹ in crore)

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,161.92	-	-	1,161.92
Government - Urban Infrastructure	4,258.13	-	-	4,258.13
Non-Government	-	-	-	-
Retail	1.70	-	-	1.70
Total	5,421.75	-	-	5,421.75

31st March, 2020

Loans to customers:

LTV wise bifurcation:

For Retail portfolio:

(₹ in crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	8.12	0.47	0.95	9.54
41%-60%	14.63	0.22	3.6	18.45
61%-80%	68.74	2.62	9.55	80.91
More than 80%- Individual and bulk loan	9.95	0.56	4.94	15.45
More than 80%- bulk loan	181.76	-	-	181.76
Total	283.20	3.87	19.04	306.11

Customer profile

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	42,992.76	821.21	41.17	43,855.14
Government - Urban Infrastructure	27,810.16	1,726.04	148.9	29,685.10
Non-Government	0.55	-	2,718.54	2,719.09
Retail	283.20	3.87	19.04	306.11
Total	71,086.67	2,551.12	2,927.65	76,565.44

NOTE 37 : (Contd.)**Loan Commitments:****Customer profile**

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,827.83	-	-	1,827.83
Government - Urban Infrastructure	3,899.12	-	-	3,899.12
Non-Government	-	-	-	-
Retail	1.37	-	-	1.37
Total	5,728.32	-	-	5,728.32

37.3. Liquidity risk

To manage the liquidity risk, Company has in place an effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, public deposits, term loans etc.

The Company maintains a pool of liquid assets which represents the primary source of liquidity in stress scenarios. Its composition is subject to limits designed to reduce concentration risks which are monitored on an on-going basis.

Analysis of financial assets and liabilities by remaining contractual maturities

(₹ in crore)

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
As at 31st March, 2021								
Financial assets								
Cash and cash equivalent and other bank balances	1,271.73	30.69	31.55	-	-	-	-	1,333.97
Net settled derivative assets	3.68	3.68	3.68	-	-	-	-	11.04
Financial assets at fair value through profit and loss	-	-	-	-	-	-	243.28	243.28
Loans	5,398.81	5,176.22	19,217.13	15,917.30	13,268.86	33,559.91	8,340.30	1,00,878.53
Financial investments at amortised cost	7.59	-	-	-	-	-	-	7.59
Other financial assets	-	-	8.52	493.42	-	-	-	501.94
Trade receivables	3.96	3.97	-	-	-	-	-	7.93
Total undiscounted financial assets	6,685.77	5,214.56	19,260.88	16,410.72	13,268.86	33,559.91	8,583.58	1,02,984.28
Financial liabilities								
Net settled derivative liabilities	3.65	3.58	3.51	-	-	-	-	10.74
Deposits	13.88	7.80	4.81	0.13	-	-	-	26.62
Debt securities	4,431.05	6,217.04	24,937.12	8,049.47	9,060.72	29,739.89	1,435.56	83,870.85
Borrowings (other than debt securities)	182.67	265.11	2,093.42	550.19	160.18	22.12	-	3,273.69
Trade payable	0.05	0.05	-	-	-	-	-	0.10
Other financial liabilities	864.66	864.66	-	-	-	-	-	1,729.32
Total undiscounted financial liabilities	5,495.96	7,358.24	27,038.86	8,599.79	9,220.90	29,762.01	1,435.56	88,911.32
Net undiscounted financial assets/ (liabilities)	1,189.81	(2,143.68)	(7,777.98)	7,810.93	4,047.96	3,797.90	7,148.05	14,072.99

NOTE 37 : (Contd.)

(₹ in crore)

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y TO 7Yr	7Y TO 10Yr	10Yr & ABOVE	Total
As at 31st March, 2020								
Financial assets								
Cash and cash equivalent and other bank balances	295.42	31.34	96.05	-	-	-	-	422.81
Net settled derivative assets	3.77	3.77	11.31	-	-	-	-	18.85
Financial assets at fair value through profit and loss	-	-	-	-	-	-	233.51	233.51
Loans	5,343.20	5,347.26	19,932.86	16,658.34	14,449.46	35,258.25	10,091.72	1,06,081.09
Financial investments at amortised cost	-	-	-	-	-	-	-	-
Other financial assets	226.00	-	-	-	451.87	-	-	677.87
Trade receivables	3.12	3.12	-	-	-	-	-	6.24
Total undiscounted financial assets	5,871.51	5,385.49	20,040.22	16,658.34	14,901.33	34,258.25	10,325.23	1,07,440.37
Financial liabilities								
Net settled derivative liabilities	3.80	3.73	10.74	-	-	-	-	18.27
Deposits	116.56	59.10	24.59	2.74	-	-	-	202.99
Debt securities	4,336.47	3,602.85	22,851.32	8,553.30	9,562.80	28,517.81	5,129.55	82,284.10
Borrowings (other than debt securities)	3,621.89	322.85	2,499.30	793.07	576.05	246.60	60.75	8,120.51
Trade payable	0.06	0.05	-	-	-	-	-	0.11
Other financial liabilities	819.71	819.71	-	-	-	-	-	1,639.42
Total undiscounted financial liabilities	8,898.49	4,808.29	25,115.95	9,349.11	10,138.85	28,764.41	5,190.30	92,265.42
Net undiscounted financial assets/ (liabilities)	(3,026.98)	577.21	(5,075.73)	7,309.23	4,762.47	5,493.83	5,134.93	15,174.96

37.4. Market risk

In order to mitigate the risks arising from fluctuations in interest rates and foreign currency exchange rates, Company periodically reviews and determines its lending rates based on its cost of funds and the market scenario. Further, the interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

37.4.1. Total market risk exposure

(₹ in crore)

	31 st March, 2021	31 st March, 2020	Primary Risk Sensitivity
	Carrying amount		
Assets			
Cash and cash equivalent and other bank balances	1,427.40	422.81	Interest rate/ FX Equity Price Interest Rate
Derivative Financial Instruments	0.66	1.61	
Financial assets at FVTPL	241.28	231.51	
Loans	74,291.89	74,267.92	
Trade Receivables	7.93	6.24	
Investment in Associates and Joint Ventures	2.00	2.00	
Other Financial Assets	501.94	697.90	
Financial Investments- Amortised cost	7.59	-	
Total	76,480.69	75,629.99	

NOTE 37 : (Contd.)

	31 st March, 2021	31 st March, 2020	Primary Risk Sensitivity
	Carrying amount		
Liabilities			
Borrowings (other than debt securities)	2,897.64	7,276.65	Interest rate/FX
Derivative Financial Instruments	-	-	Interest rate/FX
Deposits	22.77	168.47	
Debt Securities	58,057.55	53,991.49	Interest rate
Trade Payables	0.10	0.11	
Other Financial Liabilities	1,729.32	1,639.42	
Total	62,707.38	63,076.14	

37.4.2. Interest rate risk

The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31st March, 2020 and 31st March, 2021.

Particulars	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity
	2020-21	2020-21	2020-21	2019-20	2019-20	2019-20
Derivative Financial Instruments	100/(100)	0.01/(0.01)	-	100/(100)	0.02/(0.02)	-
Loans & Advances	100/(100)	146.79/(146.79)	-	100/(100)	154.63/(154.63)	-
Borrowings	100/(100)	2.32/(2.32)	-	100/(100)	4.12/(4.12)	-
Debt Securities	246/(246)	0.31/(0.31)	-	107/(107)	0.22/(0.22)	-

37.4.3. Currency risk

In order to mitigate the risks associated with Foreign Currency Fluctuations, Company has a Foreign Currency Risk Management policy.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the INR would have resulted in an equivalent but opposite impact.

Currency	Change in currency rate in % 2020-21	Effect on profit before tax 2020-21 ₹ in crore	Effect on equity 2020-21 ₹ in crore	Change in currency rate in % 2019-20	Effect on profit before tax 2019-20 ₹ in crore	Effect on equity 2019-20 ₹ in crore
USD	1	1.62/(1.62)	-	1	2.31/ (2.31)	-
JPY	1	0.59/(0.59)	-	1	0.92/(0.92)	-

37.4.4. Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. At 10 per cent increase in the value of the Company's equities at 31st March, 2021 would have increased equity by ₹ 17.25 crore. An equivalent decrease would have resulted in an equivalent but opposite impact and would cause a potential impairment, which would reduce profit before tax by approximately ₹ 17.25 crore.

NOTE 37 : (Contd.)

37.4.5. Operational Risk

In order to mitigate the operational risk(s) associated with the operations of the organization both internal as well as external including technology risk, employee risk, capital asset risk, external risk, compliance risks viz. external fraud, legal risk, etc, Company has established a strong reporting and monitoring mechanism.

Operational Risk Management framework covers managing each and every source of Operational Risk as a distinct risk to the institution's safety and soundness. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational Risk Factors and Key Risk Indicators (KRIs)' from Regional Offices/ departments which are further reviewed and analysed for mitigation of operational risk.

NOTE 38 : TAX EXPENSES

(₹ in crore)

Particulars	Period ended 31 st March, 2021	Period ended 31 st March, 2020
Current income tax:		
Current income tax charge	427.50	453.00
Adjustments in respect of current income tax of previous year	(4.08)	(1.80)
Deferred tax:		
Relating to origination and reversal of temporary differences	226.64	14.91
Income tax expense reported in the statement of profit or loss	650.06	466.11

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March, 2021:

(₹ in crore)

Particulars	Period ended 31 st March, 2021	Period ended 31 st March, 2020
Accounting profit before income tax	2,228.64	2,174.53
Tax at statutory Income Tax rate of 25.168%	560.90	547.29
Adjustment in respect of Current Income Tax of Prior Years	(4.08)	(1.80)
Income not subject to Tax (Less)		
Dividend Income	-	0.95
Rental Income (30%: Standard Deduction)	3.07	2.68
Deductions		
Difference in Depreciation	(0.13)	(0.12)
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	109.31	116.12
Provision for Bad & Doubtful Debt u/s 36(1)(viiia) of the Income Tax Act, 1961	22.10	23.43
PM Care Fund	-	12.58
Reversal of Excess Provision for short Income tax	0.07	0.02
Expenses disallowed in Income Tax Act 1961 (Add)		
ECL and Principal Waiver	(18.66)	39.04
Provision on Advances, Debtors etc.	0.09	-
Provisions for Employee Benefit	7.76	10.24
Disallowance as per sec 43B	0.15	(0.65)
Others	0.42	1.89
Interest u/s 234	0.13	0.50
CSR	21.63	14.33
Ind AS Adjustment to P&L A/C	(10.24)	(3.98)
Sub Total	423.42	451.20
Deferred Tax Liability	226.64	14.91
Total Tax expenses	650.06	466.11
Effective Income Tax Rate (in %)	29.17	21.43

NOTE 38 : (Contd.)**Deferred Tax**

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(₹ in crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2021	31 st March, 2021	2020-21	2020-21
Derivative Financial Instruments	0.17	-	0.24	-
Investments	24.28	-	(1.03)	-
Property, Plant and Equipment	3.76	-	0.17	-
Debt Securities	12.82	-	3.72	-
Deposits	-	-	0.04	-
Other Financial Liabilities	0.12	-	8.22	-
Other Non- Financial Liabilities	-	0.08	0.40	-
Other Equity	1,363.59	-	(179.06)	-
Loans	-	705.75	(45.59)	-
Receivable	-	4.60	0.36	-
Other Financial Assets	-	0.01	(2.19)	-
Other Non-Financial Assets	3.20	-	(7.51)	-
Borrowings	-	0.53	(5.66)	-
Provisions	-	63.29	7.76	-
OCI	-	-	(6.51)	6.51
Total	1,407.94	774.26	(226.64)	6.51

(₹ in crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2020	31 st March, 2020	2019-20	2019-20
Derivative Financial Instruments	0.40	-	4.93	-
Investments	23.24	-	2.33	-
Property, Plant and Equipment and Investment Property	3.93	-	1.37	-
Debt Securities	16.54	-	7.30	-
Deposits	0.04	-	0.12	-
Other Financial Liabilities	8.34	-	3.23	-
Other Non- Financial Liabilities	0.32	-	0.12	-
Other Equity	1,184.54	-	283.22	-
Loans	-	751.33	(293.10)	-
Receivable	-	4.24	(1.64)	-
Other Financial Assets	-	2.20	(1.77)	-
Other Non-Financial Assets	-	4.31	(1.67)	-
Borrowings	-	6.19	(6.44)	-
Provisions	-	55.53	(7.35)	-
OCI	-	-	(5.60)	5.60
Total	1,237.35	823.80	(14.91)	5.60

NOTE 39: IND AS-116 LEASES-AMENDMENT EFFECTIVE FROM 01ST APRIL, 2019

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 01st April, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient not to reassess whether contract is or contains lease at 01st April, 2019. Instead, the Company applied the standards only to contracts that were previously identified as leases applying Ind AS 17.

Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases.

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets at the date of initial application for leases previously classified as finance leases.

Leases previously accounted for as operating leases

Company has lease contracts for the office building which are cancellable by the both the lessor and lessee. Company has some contracts which are cancellable by the either lessor and lessee and at present there is no estimation by the Company to continue or discontinue the same, further amount of that leases is not material for the Company and therefore Company is not creating ROU on that assets based on the materiality as per the guidance given under the Indian accounting standard. Further Company used hindsight in determining the lease term where the contract contained options to extend or terminate the lease and therefore its leases are covered under the short-term leases as per the guidance under the Ind AS-116.

Amounts recognised in Statement of Profit and Loss relating to short term leases is ₹ 1.59 crore during the year 2020-21 and in the previous year 2019-20 is ₹ 1.18 crore.

b) Company as a Lessor

The Company has given its Assets on the leases; details of the same are given under the Note No-14A Investment Property.

Lease Rental recognized as income during the year 2020-21 is ₹ 40.60 crore and in the Previous year 2019-20 is ₹ 35.54 crore.

NOTE 40: EXPLANATORY NOTES TO ACCOUNTS

- 1) The financial results for the Financial Year ended 31st March, 2021 have been drawn up on the basis of Ind-AS that are applicable to the Company based on MCA Notification G. S. R. 111 (E) and G. S. R. 365 (E) dated 16th February, 2015 and 30th March, 2016 respectively. Any guidance/ clarifications issued by NHB/RBI or other regulators are adopted/ implemented as and when they are issued/ applicable. The results have been prepared based on the Schedule III for Non-Banking Financial Companies as per Notification G.S.R. 1022 (E) issued by the Ministry of Corporate Affairs on 11th October, 2018.

2) **Additional information for Consolidated Financial Statements Schedules-III of the Companies Act, 2013:**

a) **Associate Company which has been consolidated in the consolidated financial statements**

(₹ in crore)

Name of the Entity	Net Assets i.e. Total Assets minus Total liabilities		Share in Profit or Loss		Share in OCI		Share in Total comprehensive income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit/ Loss (%)	Amount	As a % of Consolidated OCI (%)	Amount	As % of total comprehensive income	Amount
HUDCO	99.99%	13,187.05	100.003 %	2,228.64	100%	(19.37)	100.01%	1,559.21
Investment as per Equity method in Associate i.e. Shristi Urban Infrastructure Development Ltd. (SUIDL)	0.01%	0.69	(0.003%)	(0.08)	0%	0.00	(0.01)%	(0.08)
Total	100 %	13,187.74	100 %	2,228.56	100%	(19.37)	100%	1,559.13

- b) Following Companies have not been consolidated in the consolidated financial statements for reasons given as under:

- i. Pragati Social Infrastructure Development Ltd. (PSIDL)-HUDCO Board has approved the exit from the Associate Company - Pragati Social Infrastructure & Development Ltd.(PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filed petition to National Company Law Tribunal (NCLT).
 - ii. Ind Bank Housing Ltd.-HUDCO has provided for full diminution in value of investment.
- c) Signa Infrastructure India Ltd - HUDCO Board has approved the exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e. SIIL and indicated the value of the shares (₹10 each) at ₹ 76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The same is under consideration of the Associate partner. HUDCO is regularly pursuing with them to sort out the issue. HUDCO has decided to exit from this entity and provide for full diminution in the value of investment.

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

(a) **Contingent Liabilities:**

(₹ in crore)

S. No.	Particulars	2020-21	2019-20
i.	Claims of Contractors not acknowledged as debts*	-	-
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 st March, 2021 of ₹ 279.80 crore (previous year ₹ 279.80 crore) under protest. (This does not include un-quantified demands pertaining to interest/ penalties which may be levied after the finalisation of appeals)	284.02	284.02

NOTE 40 : (Contd.)

(₹ in crore)

S. No.	Particulars	2020-21	2019-20
iv.	Disputed service tax demands against which Company has gone in appeal. The Company has paid a cumulative amount upto 31 st March, 2021 of ₹ 0.14 crore (previous year ₹ 0.14 crore) under protest. (This does not include un-quantified demands pertaining to interest/penalties which may be levied after the finalisation of appeals).	4.23	4.55

*Counter claims of the Company against the claim of contractors not acknowledged as debts is NIL as on 31st March, 2021 (previous year NIL).

In case of Associate Company

(₹ in crore)

S. No.	Particulars	As at 31 st March, 2021	As at 31 st March, 2020
i.	Contingent Liabilities	0.28	0.28

Claim against the Company not acknowledged as debt

In case of M/s Crux Consultants Pvt. Ltd. vs. M/s Shristi Urban Infrastructure Development Ltd. and Anr. ADJ-01 (South East), Saket Courts, New Delhi has awarded the decree to recover the contractual amount i.e. ₹ 0.28 crore along-with pendent lite interest @ 12% per annum and future interest @ 6%. The Hon'ble Delhi High Court passed order on 18th January, 2019 which says "Subject to appellant depositing the 2/3rd of the decretal amount payable as on the date of the impugned judgement and decree in this court within a period of six weeks 18th January, 2019, there shall be stay of operation of the impugned judgement and decree.

Shrishti Udaipur Hotels & Resorts Pvt Ltd., (Now Sarga Udaipur Hotels & Resorts Pvt Ltd.,) had stopped paying rentals to sub-lessor due to litigation between sub-lessor and Forest Deptt, HUDCO has treated the non-payment of rental to sub-lessor as event of default and recalled the loan. The Company has challenged such recall by a writ petition filed before Hon'ble High Court of Rajasthan at Jaipur and same is sub-judice. In view of this, fair market value of sub-leased land is not determined.

(b) Capital commitments not provided for:

(₹ in crore)

S. No.	Particular	2020-21	2019-20
i.	Estimated amount of commitments remaining to be executed on capital account	19.57	27.27

In case of Associate Company

Estimated amount of Capital Commitments remaining to be executed (Net of advances) is NIL (Previous Year ₹ 12.32 crore).

(c) CSR commitments not provided for:

(₹ in crore)

S. No.	Particular	2020-21	2019-20
i.	Estimated amount of CSR commitments remaining to be executed	-	26.52

NOTE 40 : (Contd.)**(d) Finance Lease Commitments:**

(in ₹)

Particular	31 st March, 2021		31 st March, 2020	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	23,532	2,394	23,532	2,597
After one year but not more than five years	47,064	4,239	70,596	6,632
Total minimum lease payments	70,596	6,632	94,128	9,230
Less amounts representing finance charges	63,964	-	84,898	-
Present value of minimum lease payments	6,632	6,632	9,230	9,230

The above does not include any contingent liability in respect of Andrews Ganj Project (AGP), arising on account of various court cases/ arbitration/ allottees' claims against cancellation of allotment etc., as in this case, HUDCO is only working as an agent being project executed on behalf of Govt. of India. As such, liability (if any) whenever ascertained / finalised shall be passed on to MoHUA, Govt. of India and met out of AGP (No Lien AGP Account), being maintained separately, in line with the directions of the then MoUD.

4) Andrews Ganj Project

- 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 07th 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 04th 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 03rd November, 2004. Subsequently, a separate "No Lien AGP Account" has been opened under the name of "HUDCO AGP Account", in which the surplus lying to the credit of the then MoUD was credited and interest accrued/ earned on "No Lien AGP Account" was also credited to that account.
- iv) HUDCO contends that as per minutes of the meeting held on 07th September, 1995 and in terms of Perpetual Lease Deed dated 04th July, 1997, the status of the Company is "Agent of MoUD". The contention of HUDCO is that it is working as an agent and as such total ownership rights and responsibilities of AGP are of MoHUA-GOI (erstwhile MoUD) and there is no financial liability of HUDCO in respect of AGP. This has been upheld by learned Shri GE Vahanvati, the then Solicitor General of India, vide his opinion dated 12th April, 2005. This opinion was re-confirmed by learned Shri GE Vahanvati as Attorney General of India vide his opinion dated 19th August, 2009. The opinion was also duly endorsed by the then Law Secretary and Law Minister of Government of India.
- v) Keeping this position in view and in accordance with HUDCO's Board decision in 459th meeting dated 24th August, 2009, HUDCO has been making payments / settling claims on Ministry's behalf and accounting them in "No Lien AGP Account" being separately maintained by HUDCO. As on 31st March, 2021, this account has a deficit in the form of debit balance of ₹ 493.33 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 ₹ 235.28 crore charged @ 10.75% p.a. (simple), on excess of expenditure over recoveries. The MoHUA (erstwhile MoUD) in a meeting held on 27th April, 2015 have also asserted that HUDCO shall continue to implement and manage the AGP in terms of Perpetual Lease Deed and all the pending issues shall be looked into for resolution by the Ministry. The MoHUA (erstwhile MoUD) in the said meeting has also decided that HUDCO as a Lessee will bear all the liabilities including the liabilities generated out of compliance of various court orders in cases related to the project. The Company vide its letter dated 30th September, 2015, conveyed its reservation to accept the decision for bearing the liabilities of Andrews Ganj project as HUDCO is acting as an agent of MoHUA, Government of India, for AGP, in terms of perpetual lease deed conditions and other agreed terms.

NOTE 40 : (Contd.)

- vi) The Ministry has been informed specifically of the above facts and figures on various occasions through correspondence as also in the meetings. A communication was received from Dy. L&DO vide letter dated 22nd March, 2016 wherein Dy. L&DO had conveyed that HUDCO may continue to implement Andrews Ganj project and manage "No Lien AGP Account" in line with the terms and conditions as stipulated in the Perpetual Lease Deed dated 04th July, 1997. The Ministry again informed in specific vide Dy L&DO letter dated 31st May, 2018 that HUDCO as a lessee is permitted to incur/book maintenance and legal expenditure in respect to Andrews Ganj Project from "No Lien AGP Account". Like earlier years, in-line with the minutes of meeting dated 07th September, 1995, the perpetual lease deed dated 04th July, 1997, income of ₹ 27.59 crore on account of interest accrued on AGP Project has been credited to Statement of Profit and Loss for the period year ended 31st March, 2021.
- vii) As decided by HUDCO Board in its 596th meeting held on 14th June, 2018, Ministry of Housing and Urban affairs has been requested vide letter dated 09th July, 2018 to consider taking over the Andrews Ganj project with assets and liabilities and pay the amount incurred / to be incurred by HUDCO, towards implementing the project. It has also been conveyed that "till the project is taken over by Ministry", HUDCO shall be continuing implementing the project as per existing arrangements and continue booking maintenance and legal expenses, interest @ 10.75% p.a. and administrative charges @1.5% in "No Lien AGP Account". The decision on the same from the Ministry is awaited.
- viii) The Company, in its aforesaid capacity as an agent of MoHUA (erstwhile MoUD), relating to AGP, is in possession of real estate properties (9 guest houses blocks and hotel site) which command much higher realizable market value sufficient to recover aforesaid amount of ₹ 493.33 crore, as on 31st March, 2021.
- ix) MoHUA was requested vide letter dated 13th January, 2021 to make arrangements towards reimbursement of ₹ 462.63 crore (outstanding as on 31st March, 2020) endorsement for settling the same from the project proceeds as and when the same are realized, which is also in line with the Lease agreement and well settled and agreed.

In reply to the same, Ministry vide letter dated 10th March, 2021 has requested for certain additional information including the breakup details of principal amount and interest amount as contained in the "No Lien AGP Account" to process HUDCO's request.

The requisite clarification was furnished to Ministry vide HUDCO's letter dated 06th April, 2021 with a request to expedite its decision. The matter is being followed up with Ministry on regular basis. However, in view of the outbreak of Covid-19 pandemic beginning from March, 2021, decision of Ministry is being held up. Ministry vide letter dated 28th June, 2021 has stated that "HUDCO's proposal is under examination in consultation with IFD, MoHUA. Till the proposal of HUDCO vide their letter dated 13th January, 2021 is approved, the existing arrangement may be continued as conveyed vide this office letter dated 22nd March, 2016 and 31st May, 2018".

- (c) i) The Company had allotted a hotel site including car parking space to M/s. Tomorrowland Technologies Exports Ltd. i.e. TTEL (formerly known as M/s. M S Shoes East Limited). Due to default in payment of installments by TTEL, the Company cancelled the allotment of hotel site including car parking space and forfeited the amount paid by TTEL in terms of the allotment letter.

TTEL started litigation regarding hotel site and filed suit for declaration in lower courts that cancellation of allotment letter by HUDCO, be declared as null & void. The Sr. Civil Judge passed final order dated 03rd July, 2010 against HUDCO. HUDCO filed first appeal against the Order of Sr. Civil Judge before Additional District Judge (ADJ) Delhi. The ADJ vide Order dated 18th July, 2014 dismissed the first appeal of HUDCO and passed the judgment in favour of TTEL. HUDCO filed Regular Second Appeal (RSA) with Hon'ble High Court of Delhi which passed the final judgment on 03rd July, 2016 in favour of HUDCO. TTEL challenged the High Court Order by filing SLP NO: 34338/2016 in the Supreme Court. The matter is currently in pendency before Hon'ble Supreme Court.

- ii) The allotment of 9 blocks of guest houses, restaurants, kitchens and shops, which were allotted to TTEL, was cancelled due to default in payment of installment by TTEL and amount of first installment paid by TTEL was forfeited as per terms of allotment letter. TTEL filed a civil suit for permanent injunction and possession against HUDCO & Union of India. The Hon'ble High Court, vide Order dated 10th August, 2016, directed that HUDCO & Union of India should consider the proposal given by TTEL for refund of entire amount deposited by way of 1st installment by it with HUDCO along with interest at such rate which may be deemed appropriate by Court.

In view of Hon'ble High Court of Delhi order dated 10th August, 2016, the Board in its 568th meeting held on 23rd August, 2016 resolved to approve the proposal to refund first installment forfeited by HUDCO excluding earnest money & the interest for delayed payment paid thereof by TTEL for guest house blocks after adjusting the commercial losses caused to HUDCO and

NOTE 40 : (Contd.)

other expenses incurred by HUDCO since 1997-98 from the date of completion of project subject to necessary approval/NOC of MoUD, Govt. of India.

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

TTEL filed Review Petition in the month of May, 2017, before Hon'ble High Court of Delhi for review of the Decree dated 13th January, 2017, praying inter-alia for refund of EMD, grant of interest @ 16.48% p.a. on quarterly rests. Subsequently, Review Petition filed by TTEL was disposed off by the High Court on 12th December, 2017. Thereafter, TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Hon'ble Supreme Court against the Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The Company filed application for recalling the Hon'ble High Court Order dated 13th January, 2017, in view of the Review Petition filed by TTEL and directions of Govt. of India. The matter was listed on 28th August, 2018, after hearing all parties, Hon'ble High Court dismissed the "Recall Application" of HUDCO. HUDCO filed SLP in Supreme Court challenging the High Court Order dated 28th August, 2018 and 13th January, 2017. Vide Order dated 18th September, 2018, the Hon'ble Supreme Court has dismissed the SLP as withdrawn, with liberty to HUDCO to file all legal objections regarding the executability of the decree in the executing Court.

Further, TTEL also filed first Execution Petition in Delhi High Court and later on, the same was also withdrawn by TTEL on 23rd December, 2017. Thereafter, TTEL has filed Revised Execution Petition, making Govt. of India also a party and claiming rate of interest @ 11% p.a. as per the decree dated 13th January, 2017. The matter was listed on 3rd May, 2018, wherein the Hon'ble High Court first directed for attachment of HUDCO Property i.e. HUDCO Bhawan, IHC, Lodhi Road, New Delhi. However, after hearing the submission of HUDCO vide the same order, Hon'ble High Court kept the attachment order of HUDCO Property in abeyance till the next date and also directed that HUDCO will not sell the property at Andrews Ganj, Delhi. Further, the learned Justice V.N. Khare, former Chief Justice of India, has opined that, "HUDCO's consent to perform the terms of the Order dated 13th January, 2017 was conditional on UOI's support and in the event any liability is indeed ascribed to HUDCO, the same should then be recoverable from the UOI".

In view of the Supreme Court's Order dated 18th September, 2018, HUDCO filed objection in the Execution Petition, pending in Delhi High Court. The matter was listed on 29th October, 2018. After hearing the submission of HUDCO's Counsel, the Hon'ble Court dismissed the objections. HUDCO filed two appeals in Delhi High Court as under:-

- i) Regular first Appeal (RFA 79/2018) against the final order/ decree 13th January, 2017 and order dated 28th August, 2018 (Dismissal of Recall application by High Court). Notices have been issued.
- ii) Execution First Appeal (EFA No 19/2018) against the order dated 29th October, 2018, wherein objections of HUDCO in execution petition were dismissed. The matter was listed on 27th November, 2018. After hearing the matter, the Hon'ble Court stayed the execution proceeding pending in Delhi High Court till the next date. The matter was listed again on the application of the M/s TTEL for vacation of stay on 08th July, 2020 before Division Bench, Delhi High Court, after hearing the matter, the Hon'ble Court directed that Execution First Appeal (EFA) 19/2018 shall be adjourned sine die and will be listed after the final disposal of the Regular First appeal (RFA 79/2018). The parties are at liberty to move the application for revival of EFA after final disposal of RFA 79/2018. Till the further order, the stay on the Execution proceedings shall be continued. Both the cases are pending.

TTEL filed SLP in Supreme Court, against the High Court Order dated 27th November, 2018, wherein High Court stayed the execution proceedings. However, the same has been withdrawn by TTEL on 14th January, 2019.

TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Supreme Court against Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The SLP filed by TTEL is currently pending in Hon'ble Supreme Court. Further, in the SLP No 10752/53 of 2018, the Union of India has filed an affidavit denying its liability on this account. The said affidavit, was placed before the Board of Directors of HUDCO and as per the decision, the Company has also filed a reply/affidavit to the affidavit of Union of India denying its liabilities on account of the same bases on perpetual Lease Deed 04th July, 1997 and Record Note of discussion dated 07th September, 1995. The matter is currently pending before Hon'ble Supreme Court of India.

NOTE 40 : (Contd.)

Hence, in view of the facts and circumstances stated above, the Company does not expect any liability on this account and any expenditure related thereof. In case of any liability by virtue of any court order or otherwise, the same shall be in the account of "No Lien AGP Account" of MoUD, based on the facts and documents and the legal opinions obtained by HUDCO.

- (d) The arbitrator has passed an award in favour of M/s. Ansal Properties and Industries Ltd. (APIL) amounting to ₹ 8.84 crore along with interest @ 18% p.a. on 28th July, 2005 in respect of the property leased to APIL at AGP. The Arbitrator has also allowed the counter claim of HUDCO amounting to approximately ₹ 0.85 crore along with interest @ 18% p.a. on account of maintenance charges w.e.f. 1st January, 2001 up-to 31st July, 2005. HUDCO has challenged the award before the Hon'ble High Court of Delhi and, as per the directions of the court, has deposited a sum of ₹ 7.99 crore in the court out of "No Lien AGP Account". Now, the case is listed before Registrar General, Hon'ble High Court for further proceedings.

APIL has invoked arbitration for refund of ground rent paid by it from November, 1995 to October, 1999 and the arbitrator has pronounced the award on 21st July, 2006 holding therein that APIL is not liable to pay the ground rent up to October, 1999 i.e. till the shopping arcade was constructed and became operational in October, 1999. The amount of ₹ 3.93 crore deposited earlier by APIL has been directed to be adjusted towards the future ground rent payment dues w.e.f. November, 1999 along-with Interest @ 7% p.a. for delayed payment. HUDCO has filed petition challenging the award before the Hon'ble High Court of Delhi. The Hon'ble High Court on 10th May, 2012 has set aside the arbitration award dated 21st July, 2006. APIL filed an appeal against the above-mentioned order before Division Bench of Hon'ble High Court, Delhi. Division Bench vide its order dated 24th January, 2013, allowed APIL appeal and upheld the Arbitrators award. HUDCO filed SLP on 10th May, 2013 before Hon'ble Supreme Court against this order which is currently pending.

- 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) (a) The Company has a procedure for seeking confirmation of outstanding balances at each quarter end from all the borrowers except cases under litigation. In case of receipt of balance confirmation from the agency for any Quarter of the year, the same is treated as confirmed during the year. Confirmation of balances covering approximately 89.65% received upto 14th June, 2021 (previous year 89.14% received upto 16th June, 2020) in value of the total project loan outstanding (excluding Litigation cases) have been received from the borrowers.

In case of Associate Company

Balances of certain debtors and creditors are in the process of confirmation/ reconciliation.

- (b) The Company has made impairment provision on loans (as per ECL approach) of ₹ 2,753.78 crore as on 31st March, 2021 and ₹ 2,939.67 crore as on 31st March, 2020 as per Ind-AS requirement.
- (c) As per RBI notification no. RBI/ 2019-20/170 Circular DOR (NBFC).CC.PD.No.109/ 22.10.106/ 2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standards, Housing Finance Companies are required to create an Impairment Reserve for any shortfall in impairment allowances under Ind-AS 109 and IRAC norms (including provision on standard assets). The impairment allowance under Ind-AS 109 made by the Company is lower than the total provision required under IRAC as at 31st March, 2021 and accordingly, impairment reserve of ₹ 161.81 crore has been created.

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS *	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	65,814.87	6.89	65,807.97	308.40	(240.57)
	Stage 2	6,917.71	61.33	6,856.38		
Sub-total		72,471.03	67.83	72,403.19	308.40	(240.57)

NOTE 40 : (Contd.)

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS *	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Non- Performing Assets						
Sub-standard	Stage 3	362.52	116.77	245.75	54.38	62.39
Doubtful-						
upto 1 year	Stage 3	143.57	52.02	91.55	35.89	16.13
1 to 3 years	Stage 3	104.08	88.89	15.19	73.07	15.82
More than 3 Years	Stage 3	2,421.25	2,404.71	16.54	2,421.25	(16.54)
Sub-Total for Doubtful		2,668.91	2,545.63	123.28	2,530.22	15.41
Loss	Stage 3	22.59	22.59	-	22.59	-
Sub-total for NPA		3,054.01	2,684.98	369.03	2,607.18	77.80
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
	Stage 1	-	0.57	-	-	0.57
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-total		-	0.57	-	-	0.57
Total	Stage 1	65,814.87	7.47	65,807.40	308.40	
	Stage 2	6,917.71	61.33	6,856.38		
	Stage 3	3,054.01	2,684.98	369.03	2,607.18	
	Total	75,786.59	2,753.78	73,032.81	2,915.59	(161.81)

*Does not include Interest Accrued, Ind AS Adjustment etc.

7) The receipts from the agencies in the loan accounts is appropriated as per loan agreement in the following order:

- Other dues/ expenses recoverable
- Penal interest
- Normal interest
- 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.

8) During the FY 2020-21, the Company has implemented restructuring plan in case of RKM Powergen Pvt Limited, principal outstanding ₹ 482.57 crore, as per RBI Circular dated 7th June, 2019 on "Prudential Framework for Resolution of Stressed Assets" and resolution plan in case of M/s Dighi Port Limited, principal outstanding ₹ 44.29 crore, as approved by NCLT under IBC Act 2016 as per following details:-

- In case of RKM Powergen Pvt Limited, Master Debt Restructuring Agreement (MDRA) executed among 8 consortium lenders, the outstanding loan has been converted into a Sustainable Debt of ₹ 297.12 crore and balance Principal amount of ₹ 185.45 crore have been considered as Unsustainable Debt. Equity and Optionally Convertible Debentures have been issued at value of ₹ 1/- each towards Unsustainable debt. The Unsustainable debt has been written off with the reversal of the corresponding ECL allowance thereof.

NOTE 40 : (Contd.)

- b) In the case of M/s Dighi Port Limited, the NCLT under IBC Act 2016 has approved a resolution plan which has been implemented by the Company. As per the NCLT order, ₹ 24.89 crore has been received and balance of ₹ 19.40 crore has been written off with the reversal of the corresponding ECL allowance thereof.

9) Disclosure of material impact of COVID-19 pandemic under Listing Obligations and Disclosure Requirements (LODR) of SEBI-Financial Statement

(a) Disclosure of Covid-19 Impact during the Year 2020-21

The financial year ended 31st March, 2021 marked a full year since the World Health Organization declared the outbreak of COVID-19 as a pandemic. Countries across the globe continued to face drastic economic and social disruptions along with tragic loss of lives and livelihoods. Eruptions of new waves and variants of the virus necessitated restrictions and lockdowns.

In accordance with RBI guidelines on Covid-19 Regulatory package dated 27th March, 2020, 17th April, 2020 and 23rd May, 2020, the Company had offered Moratorium on the payment of installments falling due between 01st March, 2020 to 31st August, 2020 to eligible borrowers whose account is Standard and not in default as per Board approved guidelines.

The extent to which the Covid-19 pandemic shall impact the Company's future results shall depend on developments, which are highly uncertain, including among other things, any new information concerning the severity of the Covid-19 pandemic and any action to contain its spread or mitigate its impact. The Company shall continue to closely monitor any material changes to future economic conditions. However, operating in the Govt. Guarantee as security with most of the Govt. borrowers additionally supported with budgetary provision of the Govt. or Mortgage as Security, we believe that we hold a much stable asset class and better borrower profile, which can withstand the pandemic relatively better.

In April 2021, India witnessed a second wave of infections. However, HUDCO's operations will not be impacted due to the reasons as mentioned in the foregoing para.

(b) Ex-gratia payment of difference between compound and simple interest on Retail Loan Portfolio

In view of the unprecedented and extreme COVID-19 situation, Government of India, Ministry of Finance, Department of Financial Services vide letter No., F. No. 2/12/2020-BoA.I dated 23rd October, 2020 announced ex-gratia payment of difference between compound interest and simple interest by ways of relief for the period from 1st March, 2020 to 31st August, 2020 to borrowers in specified loan accounts. In compliance of the said Circular, the Reserve Bank of India vide letter dated 26th October, 2020 advised all specified lending institutions to be guided by the provisions of the Scheme and instructed to take necessary action within the stipulated timeline. Since the scheme provided for giving ex-gratia for loans upto ₹ 2 crore and HUDCO being HFC, the said guidelines were applicable to home loans given by HUDCO.

In compliance to the said Circular, claim amount of ₹ 0.09 crore as ex-gratia payment was given to all borrowers, as per guidelines, which was duly credited in the loan accounts of all the existing borrowers and by remittance in saving accounts in all closed loan cases and claim amount was lodged with State Bank of India and the said amount has been recovered on 31st March, 2021.

- c) As per RBI Circular No. RBI/2021-22/17DOR.STR.REC.4/21.04.048/2021-22 dated 07th April, 2021 and IBA letter dated 19th April, 2021 on methodology for calculation of interest on interest and penal interest, the Board has approved a policy for refund of interest on interest and penal interest charged during the moratorium period from 01st March, 2020 to 31st August, 2020. Thus, the Company has made a provision in the financial statements for the year ended 31st March, 2021 equivalent to ₹ 17.60 crore which is to be refunded/adjusted in the borrowers account. Accordingly, Interest income for the year ended 31st March, 2021 has been reduced by ₹ 17.60 crore.

- 10) The Company had made Long Term Investments at a total cost of ₹ 99.86 crore which represents Trade Investment in Equity Shares, Investments in Associates, Infrastructure Debt Fund and bonds. As per the applicable Ind AS, Investments as on 31st March, 2021 are being shown at fair value through profit or loss of ₹ 241.28 crore.

- 11) Loans granted by the Company directly to individuals and bulk loans under HUDCO Niwas Scheme are secured fully/partly by:

- (i) Equitable Mortgage of the property and /or

NOTE 40 : (Contd.)

- (ii) Undertaking to create security through execution of Tripartite Agreement between the Company, borrower and the Developing Authority / Developer ;
- (iii) Hypothecation of Distribution Assets of the borrower Company.
- (iv) Negative Lien on the assets of the borrower Company. Assets of the Company include the book debts and future receivable.
- (v) Government Guarantee, First charge on the assets of the housing finance Company or First Pari-Passu charge on the outstanding loans or Exclusive Charge/ First Pari-Passu charge on the present and future receivables/ Book Debts, Escrow mechanism, postdated cheques or ECS or RTGS, First Pari-Passu charge on immovable property/ Undertakings, Demand promissory note and irrevocable Power of Attorney in favour of HUDCO to recover the money from individual borrowers.

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

- 12) The Company has adopted Ind AS-19 'Employee Benefits'. Defined employee benefit schemes are as follows:

- (a) The Company has a separate trust to manage provident fund scheme and provides interest guarantee as per Employees' Provident Fund Scheme, 1952. The Company pays fixed contribution of provident fund at a predetermined rate to the trust, which invests the funds in permitted securities. The trust is required to pay a minimum notified rate of interest on contribution to the members of the trust and the provident fund scheme additionally requires the Company to guarantee the payment of interest at rates notified by the Central Government from time to time under the Employees' Provident Fund Scheme, 1952 and recognizes such deficiency as an expense in the year it is determined.

In view of the interest rate guarantee by the Company, the plan although being a defined contribution plan is being treated as defined benefit plan for the purpose of disclosure as per Ind AS 19, since as per Section 17 of the Employees Provident Funds (EPF) Act, 1952, the Company has to guarantee the interest rate as announced by the EPFO from time to time. Accordingly, the actuarial valuer has done valuation to the extent of interest rate guarantee and details of the same have been disclosed as given below.

The fair value of the plan assets of the Provident Fund and the accumulated members' corpus is ₹ 328.88 crore and ₹ 364.09 crore respectively (Previous year - ₹ 313.76 crore and ₹ 330.20 crore respectively). The fair value of the assets of the provident fund as at 31st March, 2021 is lower than the obligation under the defined contribution plan. Accordingly, a provision of ₹ 35.21 crore based on actuarial valuation has been made in current year.

The charge to Profit and loss Account for the valuation period is ₹ 11.59 crore. The amount for Other Comprehensive Income is ₹ 17.65 crore.

The actuarial assumptions include discount rate of 6.55% (Previous year - 6.60%) and an average expected future period of 8.39 years (Previous year - 9.17 years). The Company recognized ₹ 9.44 crore (Previous year - ₹ 9.34 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:

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1. Component of Employer Expenses								
a. Current Service Cost	2.51	2.33	3.64	3.14	0.90	0.78	4.32	4.17
b. Interest Cost	0.06	(0.03)	2.11	1.85	0.66	0.65	10.77	10.39
c. Past Service Cost	-	-	-	-	-	-	-	-
d. Unrecognized Past service cost	-	-	-	-	-	-	-	-
e. Expected return on plan assets	(0.18)	(0.30)	N.A.	NA	N.A.	N.A.	N.A.	N.A.
f. Actuarial (Gain) / Loss	0.66	6.49	1.97	5.50	0.15	0.64	7.76	8.89
g. Recognised in Other Comprehensive Income	(0.48)	(6.20)	N.A.	N.A.	N.A.	N.A.	(7.76)	(8.89)
h. Recognised in the Statement of Profit & Loss.	2.58\$	2.29\$	7.71	10.49	1.70	2.07	15.09	14.56
2. Net Asset / (Liability) recognised in Balance Sheet as at 31.03.2021								
a. Present value of Obligation as at 31.03.2021	77.57	75.09	33.44	32.00	10.61	9.96	171.44	158.21
b. Fair Value of plan assets as at 31.03.2021	78.75	72.95	N.A. #	N.A. #	N.A. #	N.A. #	N.A. #	N.A. #
c. Liability / (Assets) recognised in Balance Sheet	(1.18)	2.14*	33.44	32.00	10.61	9.96	171.44	158.21
3. Change in present value of obligation as on 31.03.2021								
Present Value of obligation as at 31.03.2020	75.09	66.92	32.00	25.22	9.96	8.82	158.21	143.42
Current service cost	2.51	2.33	3.64	3.14	0.90	0.78	4.32	4.17
Interest Cost	4.73	4.63	2.11	1.85	0.66	0.65	10.77	10.39
Past Service Cost	-	-	-	-	-	-	-	-
Unrecognized Past service cost	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	-	(0.07)	-	(0.74)	-	0.02	-	(0.32)
Actuarial gains and losses arising from changes in financial assumptions	1.61	3.42	0.63	1.27	0.21	0.45	2.46	3.97
Actuarial gains and losses arising from experience adjustments	(0.95)	3.14	1.34	4.97	(0.07)	0.17	5.29	5.24
Benefits Paid	(5.42)	(5.28)	(6.28)	(3.71)	(1.05)	(0.93)	(9.61)	(8.66)
Present Value of obligation as at 31.03.2021	77.57	75.09	33.44	32.00	10.61	9.96	171.44	158.21
4. Change in the Fair Value of Plan Assets								
Present value of plan assets as on 31.03.2020	72.95	66.19	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Expected return on Plan Assets	4.67	4.66	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual Company Contribution	6.37	7.08	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Benefits Paid	(5.42)	(5.28)	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Return on Plan Assets excluding amount included in Net Interest Expense	0.18	0.30	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Actuarial gains and losses arising from changes in demographic assumptions	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from changes in financial assumptions	-	-	-	-	-	-	-	-
Actuarial gains and losses arising from experience adjustments	-	-	-	-	-	-	-	-
Fair Value of Plan Assets as at 31.03.2021	78.75	72.95	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
Actual Return on plan assets	4.85	4.96	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.	N.A#.
5. The Principal assumptions used in determining defined benefits obligations for the Company's plans								
Discount Rate (p.a.) (%)	6.25	6.60	6.25	6.60	6.25	6.60	6.80	6.90
Expected rate of returns on plan assets (p.a.) (%)	6.25	6.60	N.A	N.A	N.A	N.A.	N.A	N.A
Salary increase rate (p.a.) (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Withdrawal Rates	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages
Leave availment rate	N.A	N.A.	3% p.a.	3% p.a.	3% p.a.	3% p.a.	N.A	N.A.
Leave encashment in service	N.A	N.A.	2% p.a.	2% p.a.	0% p.a.	0% p.a.	N.A	N.A.
6. Details of the Plan Assets at cost as on 31.03.2020								
Government of India Securities, Corporate Bonds etc.	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Gratuity Fund Managed by Insurer	100%	100%						

Gratuity

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	75.28	79.97	72.78	77.52	78.14	76.98	75.79	74.44	77.73	77.42	75.26	74.92

HPL

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	10.30	10.93	9.65	10.27	10.91	10.32	10.26	9.67	10.55	10.67	9.89	10.02

NOTE 40 : (Contd.)

EL

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	32.54	34.37	31.14	32.90	34.37	32.54	32.90	31.14	33.39	33.49	31.96	32.04

Medical Benefits

	31-Mar-21		31-Mar-20		31-Mar-21		31-Mar-20	
Assumptions	Discount rate				Medical growth rate increase			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	159.65	184.60	146.70	171.09	176.30	167.03	161.90	154.86

Expected payment for future years	Gratuity		HPL		EL		Medical benefits	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Within the next 12 months (next annual reporting period)	6.28	6.90	1.30	1.15	3.23	3.89	5.45	4.30
Between 2 to 5 years	33.46	30.73	4.57	4.19	15.70	14.61	27.51	22.20
Between 5 and 10 years	44.97	44.07	5.78	5.53	18.33	17.11	53.39	45.36
Total expected payments	84.71	81.70	11.65	10.87	37.26	35.61	86.35	71.86

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

\$ It represents the amount to be recognised in the Statement of Profit & loss as per actuarial valuation. However, since the scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company, so the premium paid is debited to the Statement of Profit & Loss.

The scheme of Gratuity is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company. Further, the schemes of Leave Encashment and Post-Retirement medical benefits are unfunded.

* The Company expects to contribute ₹ 2.49 crore (Previous year ₹ 2.14 crore) to the Gratuity Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2021 is 6.29 years (Previous year 6.62 years).

The Company expects to contribute ₹ 5.45 crore (Previous year ₹ 4.30 crore) to the Medical Benefit Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2021 is 22.48 years (Previous year 22.81 years).

In case of Associate Company

As per Indian Accounting Standard - 19 "Employee Benefits", the disclosures of Employee Benefits are as follows:

(a) Defined Benefit Plans/Long Term Compensated Absences :

Description of Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation

NOTE 40 : (Contd.)

or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age etc.

*Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The liabilities are determined on accrual basis and not on the basis of actuarial principles since the same is not considered material.

(b) The Gratuity and Provident Fund expenses have been recognised under Employee Benefit Expense.

13) Details of Provisions

(₹ in crore)

S. No.	Particulars	Opening Balance	Additions During the year	Paid/ Adjusted during the year	Closing Balance
A	Provision for employees benefit				
(i)	Leave encashment	41.95	9.43	7.33	44.05
	Previous Year	34.03	12.56	4.64	41.95
(ii)	Post-retirement medical benefit	158.21	15.07	1.85	171.43
	Previous Year	143.43	14.56	(0.22)	158.21
(iii)	Welfare expenses	1.90	0.20	0.16	1.94
	Previous Year	1.77	0.36	0.23	1.90
(iv)	Gratuity	2.14	2.58	5.89	(1.17)
	Previous Year	0.73	(4.79)	(6.20)	2.14
(v)	Provident Fund	16.44	11.06	(7.71)	35.21
	Previous Year	-	9.29	(7.15)	16.44
B	Others				
(i)	Provision for Income Tax	455.00	428.00	455.00	428.00
	Previous Year	584.90	455.00	584.90	455.00
C	Provisions on Loans (ECL -Net)				
(i)	Provision on loans (ECL)	2939.67	-	185.91	2753.78
	Previous Year	2939.16	2.59	2.08	2939.67
D	Provision on Corporate Social Responsibility (CSR)				
	Provision on CSR	-	80.19	-	80.19
	Previous Year	-	-	-	-
E	Provisions on Investment/ Advances/ Debtors/ Staff Advances/against disputed service tax paid				
(i)	Provisions on Investment	3.11	-	-	3.11
	Previous Year	3.11	-	-	3.11
(ii)	Provision on staff advances	0.14	-	-	0.14
	Previous Year	0.13	0.01	-	0.14
(iii)	Provision on Advances	3.03	0.38	-	3.41
	Previous Year	3.03	-	-	3.03
(iv)	Provision on Doubtful Debts	16.83	-	0.03	16.80
	Previous Year	16.84	-	0.01	16.83
(v)	Provision against disputed service tax paid z	2.49	-	-	2.49
	Previous Year	2.49	-	-	2.49

NOTE 40 : (Contd.)

- 14)** The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB.

RBI has issued notification dated 22nd October, 2020, on regulatory framework for HFCs, by which the definition of HFCs has undergone a change. As per the notification, HFC shall mean a Company incorporated under the Companies Act, 2013 which inter-alia, fulfils the following conditions:

1. **(a)** The financial assets, in the business of providing finance for housing constitute at least 60% of its total assets and
- (b)** Out of the total assets not less than 50% should be by way of housing finance for individuals.
HFCs which are unable to fulfil the criteria shall be treated as NBFC – Investment and Credit Companies (NBFC-ICC).

HUDCO qualifies as a HFC as per Para 1(a) of the RBI circular, but the condition of 50% financing to Individuals is not met out, as mentioned in point no. 1(b) above. Accordingly, in view of the non fulfilment of the above condition, HUDCO requested RBI vide letter dated 16th December, 2020 for special dispensation to HUDCO for granting exemption from the clause pertaining to 50% lending to individuals and treat HUDCO as HFC.

The RBI in its reply letter dated 10th February, 2021 has informed its inability to accede to HUDCO's request for exemption and accordingly suggested to submit a Board approved plan to fulfil the principal business criteria for HFC or to convert into a NBFC-ICC.

In the meantime as per RBI's Master Directions issued vide Notification dated 17th February, 2021 for NBFC-HFC, certain circulars issued by NHB have been repealed. As HFC status is ruled out by the RBI, the decision to convert HUDCO into NBFC- Investment and Credit Company (ICC) or Infrastructure Finance Company (IFC) from the present HFC status, requires detailed analysis to be carried out on various pros and cons. RBI was requested vide letter dated 08th March, 2021 to grant 6 months' time for transition to NBFC- ICC or IFC and to retain the status of HFC and to continue operations with the special dispensations/ relaxations given earlier with regard to credit concentration norms/ exposure norms permitted by NHB/ RBI.

In response to HUDCO's request, RBI vide letter dated 26th March, 2021 has granted 6 months' time to submit Board approved plan for conversion to NBFC. RBI has further advised that the exemptions from concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions.

2. RBI has issued Master Directions for NBFC-HFC vide their Notification dated 17th February, 2021. RBI's credit concentration norms state that a Housing Finance Company's lending exposure to any single borrower or investment in the shares of another Company should not exceed 15% of its owned funds and lending exposure to any single group of borrowers or investment in the shares of single group of companies should not exceed 25% of its owned funds. As per the said circular, 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 RBI's credit concentration norms except in one case of investment in another HFC viz., Indbank Housing Ltd. (IBHL), a subsidiary of Indian Bank in which HUDCO has invested 25% capital of investee.

HUDCO had invested ₹ 2.50 crore, even before guidelines were applicable, in the Equity Shares of IBHL, whose total paid-up capital is ₹10 crore resulting in investment to the extent of 25% of the equity.

IBHL through their letter has informed that the earlier decision for merger of IBHL with the parent bank was taken by the IBHL Board on account of the then situation prevailing at that point of time. IBHL took various steps towards revival of housing finance business. The authorized capital of the Company was increased from ₹ 50 crore to ₹ 150 crore. The Company-initiated steps for restructuring of capital by converting loan liabilities of Indian Bank into Compulsory Convertible Preference shares (CCPS) carrying 0.01% rate for ₹ 130 crore. However, the required permission of RBI was not forthcoming and hence conversion of loan liability to CCPS could not be carried out.

NHB/ RBI, from time to time, has given certain relaxations from credit concentration norms considering the role envisaged for HUDCO. However, vide its letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 2nd April, 2018, NHB capped the credit concentration (Exposure) limit for Government/Public agencies as follows:

- (a)** The individual exposure limit of HUDCO to Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/ non-housing related activities) shall be capped at 50% of its NOF.

NOTE 40 : (Contd.)

- (b) The exposure limit of HUDCO for State Government (under group exposure) shall be capped at 150% of its NOF in respect of State of Telangana and 100% of NOF for all other States. HUDCO is required to take suitable steps to bring down the group exposure in respect of State of Telangana also to 100% within a maximum period of 3 years. The conditions relating to compliance by the concerned State with the FRBM limits shall continue to be ensured by HUDCO.

The Board of Directors of HUDCO in its 594th meeting held on 19th April, 2018 considered above and directed that “NHB be again requested to expeditiously review its decision communicated vide its letter dated 2nd April, 2018 and permit HUDCO to continue on the already approved pattern of credit concentration norms communicated by NHB vide its letters from time to time”.

NHB vide its letter No. NHB(ND)/DRS/SUP/7085/2018 dated 13th July, 2018 has conveyed its decision to allow HUDCO to continue its disbursements as per the schedule in relation to the existing sanctions made upto 31st May, 2018. However, HUDCO shall be required to take suitable steps to bring down the exposure to Government/Public Agencies and State Governments (under group exposure) in the above cases also to 50% and 100% respectively latest by March, 2023.

The exposure limits of upto 50% for Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/non-housing related activities) and upto 100% for State Governments (under group exposure) will continue to be applicable in all other cases. The condition relating to compliance by the concerned State with the FRBM limits shall continue.

HUDCO vide letter dated 06th March, 2019 requested NHB seeking relaxation in the individual/group exposure norms. Further, HUDCO also sought exemption from exposure norms for funding of PMAY (U) programme through Extra Budgetary Resources (EBRs).

NHB has vide its letter no. NHB(ND)/DRS/SUP/879/2019 dated 08th March, 2019 granted relaxation in credit concentration norms (under individual borrower exposure to Government /public agency) to HUDCO to extend loan upto ₹ 20,000 crore to BMTPC under the PMAY-U subject to the condition that demand under Credit Linked Subsidiary Scheme (CLSS) is met on priority while utilizing funds lent to BMTPC.

NHB has vide its letter no. NHB(ND)/DRS/SUP/880/2019 dated 08th March, 2019 granted relaxation to HUDCO in respect of credit concentration (exposure) norms upto 140%, 175% and 120% of the NOF in respect of the State of Andhra Pradesh, Telangana and Uttar Pradesh respectively (under group exposure) and upto 55% (under individual exposure) each in case of APTIDCO and HMWSSB subject to the following conditions:

- (i) HUDCO shall continue to ensure that the extended exposures (beyond 50% and 100% respectively) are guaranteed by the State Government(s) and HUDCO will cease to extend further exposure to these states if FRBM limits are breached.
- (ii) HUDCO shall also be required to bring down its exposure to 50% in respect of individual exposure and 100% in respect of group exposure latest by 31st March, 2023, in accordance with the roadmap for graded reduction in exposure approved by Board of Directors.
- (iii) The position should be reviewed by the Board of HUDCO on a six monthly basis to ensure strict adherence to the Board approved exposure reduction plan.
- (iv) In the event of HUDCO failing to comply with the above exposure reduction plan, HUDCO will be required to assign risk weight of 100% on the excess exposure in addition to any regulatory penalty as may be applied by the NHB.

The exposure limit of up-to 50% for Govt./Public agencies (inclusive of the exposure limit of up-to 30% for infrastructure/Non housing related activities) and up-to 100% for State Govt. (under group exposure) will continue to be applicable in all other cases.

RBI has vide its letter no 1736/3.10.136/2019-20 dated 05th March, 2020 granted relaxation of credit concentration norms for exposure to Telangana State Housing Corporation Limited (TSHCL) upto 75% of Net Owned Fund of HUDCO subject to following conditions:

NOTE 40 : (Contd.)

- (i) The additional exposure is backed by explicit guarantee from State Government.
- (ii) The exposure to TSHCL will be brought down to 50% of NOF by 31st March, 2023 as prescribed by NHB (ND)/DRS/ SUP/880/2019 letter dated 08th March, 2019. A detailed action plan to this effect may be forwarded to NHB.
- (iii) Other conditions as prescribed by NHB vide their above-mentioned letter dated 08th March, 2019 are adhered to.

RBI vide their letter dated 26th March, 2021 has permitted that the exemptions from concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions.

- 15) 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 31st July, 2001. The Company is operating in India and does not have any subsidiary including overseas subsidiary.

- 16) In respect of Bonds/ Deposits, the Company in terms of section 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified on 5th September, 2016 is presently transferring unclaimed principal and/or interest, or both (if any), which are paid on due dates as per the terms of the Bonds/ 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 for the series which have redeemed includes interest of ₹ 0.02 crore as on 31st March, 2021 (previous year ₹ 0.04 crore), which have lapsed seven years from the respective due dates of interest payment and not transferred to IEPF, since seven years from the maturity date of the Bonds/ Debentures has not been completed yet.
- 17) The disclosure relating to unpaid amount as at the year-end together with interest paid / payable as required under the MSMED Act, 2006 have been given to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under MSMED Act, 2006. No interest has been paid/payable by the Company during the current year to the parties covered under the Micro, Small and Medium Enterprises Development Act, 2006.

In case of Associate Company

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March 2021 as Micro, Small and Medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2020 – Nil).

- 18) The Company is engaged in the business of providing loans/finance for Housing/ Infrastructure projects and all other activities of the Company revolve around the main business within India. Accordingly, the Company does not have separate reportable segments in terms of Indian Accounting Standard (Ind AS-108) on "Operating Segments".

In case of Associate Company

In line with Ind AS 108 –Operating Segments, taking into account the organizational structure, product type as well as the differing risks and returns criterion, there are no distinguishable Geographical or Business components on the basis of which segments can be identified.

- 19) (i) The Company has tested Impairment on assets in detail as per Ind-As 36 and as a result of assessment/testing, there is no Impairment of Assets during the Financial Year 2020-21.
- (ii) Vide gazette notification no. 26/2019 dated 20th March, 2019, Company was notified for the purposes of Section 194A(3)(iii)(f) of the Income Tax Act, 1961 for non-deduction of Tax at source.
- 20) The Company has discontinued acceptance/renewal of Public Deposits under its Public Deposit Scheme from 01st July, 2019. However, redemption of deposits already taken shall be made on due dates.

NOTE 40 : (Contd.)

- 21) The Company has maintained 100% asset cover by way of charge on the receivables of the Company and/ or lien on deposits for all the secured bonds issued by the Company and outstanding as on 31st March, 2021.
- 22) The Company is a 'Large Corporate' as per criteria under SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018. Necessary disclosure has been made to the stock exchanges, where securities of the Company are listed, in this regard.
- 23) The Company makes full provision on doubtful debtors/ receivables which are outstanding for more than three years.
- 24) The Company has taken various office premises on cancellable operating lease basis with an option to renew the lease by mutual consent on mutually agreeable terms. The aggregate lease rentals payable is charged as office rent under Note No. 32- Other Expenses of the Statement of Profit & Loss. Further, there is no financial lease as Company's leasing arrangement does not transfer substantially all risks & rewards incidental to the ownership of an asset.
- 25) During the year under review, a provision for bad and doubtful debts under section 36(1)(viia), of Income Tax Act 1961 equivalent to 5% of the taxable income (after allowing deduction u/s 36(1)(viii)), totaling to ₹89.00 crore has been created.
- 26) (a) The Company has declared an interim dividend of ₹ 150.14 crore @ ₹ 0.75/- per share of ₹ 10/- each, to its shareholders, for the FY 2020-21 after approval of Board of Directors in its meeting held on 18th March 2021. The same has been paid on 30th March 2021 to the Ministry of Housing & Urban affairs & Ministry of Rural Development and on 09th April, 2021 to the Retail Public.
- (b) The Board of Directors at its meeting held on 29th June, 2021 has recommended a Final Dividend of ₹ 1.425/- per share of ₹ 10/- each, which is subject to approval of shareholders at the ensuing Annual General Meeting.

27) Details of Expenditure / Earnings in foreign currency:

(₹ in crore)

Particulars	2020-21	2019-20
Expenditure		
a) Travelling	-	0.20
b) Interest on foreign loan	3.30	6.88
Total Expenditure	3.30	7.08
Earnings		
Interest on overseas deposit	1.18	2.82

28) Earnings Per Share

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	2020-21	2019-20
Net Profit for the period attributable to equity shareholders (₹ in crore) (a)	1578.50	1708.20
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)	7.89	8.53

- 29) As per the Ind AS- 109, the impairment of the loan asset is being arrived by working out on Expected Credit Loss. The Project loans portfolio is segregated into Government and Non-Government segment. In case of government loans, it is segregated into Housing and UIF segment and non-government loans are segregated sector wise i.e. Building Material Industries, Core, Emerging, Energy, Roads And Transportation Value Added Real Estate And Social Housing. Further, all the loans are divided into three categories:-

- Stage – 1 - 0-30 days
- Stage – 2 - 31-90 days
- Stage – 3 - Above 90 days.

NOTE 40 : (Contd.)
Summary of ECL as on 31st March, 2021

Portfolio	Stage 1	Stage 2	Stage 3	Total
Government				
Govt- Housing	3.78	13.27	156.82	173.87
Govt- UIF	2.83	47.89	57.34	108.06
Govt - Total	6.61	61.16	214.16	281.93
Non-Government				
BUILDING MATERIAL INDUSTRIES	-	-	12.51	12.51
CORE SECTOR	-	-	2.82	2.82
EMERGING SECTOR	-	-	349.88	349.88
ENERGY SECTOR	-	-	1515.37	1515.37
ROADS AND TRANSPORTATION SECTOR	-	-	97.47	97.47
VALUE ADDED REAL ESTATE	-	-	460.69	460.69
SOCIAL HOUSING SECTOR	-	-	13.32	13.32
Non Govt - Total	-	-	2,452.06	2,452.06
ECL on Loan Commitment	0.57	-	-	0.57
ECL on Interest Accrued	0.07			0.07
ECL on Project loans	7.25	61.16	2,666.22	2,734.63
ECL on Interest Accrued-HUDCO Niwas	0.01	-	-	0.01
ECL on Loan Commitment- HUDCONiwas	0.01	-	-	0.01
ECL on HUDCONiwas	0.21	0.16	18.76	19.13
Total ECL Niwas	0.23	0.16	18.76	19.15
Total ECL	7.48	61.32	2,684.98	2,753.78

30) Exit from Associate Companies:
(a) Signa Infrastructure India Ltd. (SIIL)

The Company has decided to exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e. SIIL and indicated the value of the shares (₹10 each) at ₹ 76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The Company has not responded to HUDCO offer. The Board of HUDCO was updated of the latest status and HUDCO Board in its meeting held on 19th December, 2019 decided that steps be taken for termination of joint venture agreement with M/s. Marg construction Ltd. (Promoter of Signa Infrastructure India Ltd) withdrawal of HUDCO Nominee Director and further action for dissolution (wind up) of JV Company on grounds of non-compliance of various statutory compliances. In pursuance of Board Decision, HUDCO Nominee Director has submitted his resignation to the Company.

(b) Pragati Social Infrastructure & Development Ltd.

The Company has decided to exit from the Associate Company (Pragati Social Infrastructure & Development Ltd.-PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filled petition to National Company Law Tribunal (NCLT), which is pending adjudication.

(c) Shristi Urban Infrastructure Development Ltd.

The Company had decided to exit from the Associate Company (Shristi Urban Infrastructure Development Ltd.-SUIDL) with Shristi Infrastructure Development Corporation Ltd. In pursuance of the Board's approval, the valuation of Associate Company is being carried out.

NOTE 40 : (Contd.)**31) Valuation of Investment**

The Company had invested ₹ 2.50 crore in the shares of the Indbank Housing Ltd. (IBHL) around 30 years back. Considering the fact that IBHL has highly negative Net Worth and meagre volume of trading in the share of the Company, even though market price of the share as on 31st March, 2021 is ₹ 32.10 per share (previous year ₹ 17.20 per share), HUDCO continues to reflect the investment of ₹ 2.50 crore in IBHL at diminished value of ₹ 1 only as on 31st March, 2021.

32) Related parties Disclosure :**(a) Associates**

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

(b) Key Management Personnel during the year 2020-21

S. No.	Director(s)	Status
1	Shri. Shiva Das Meena, IAS	Chairman & Managing Director (Addl. Charge)- (from 21.04.2020 to 18.05.2020)
2.	Shri Kamran Rizvi, IAS	Chairman & Managing Director (Addl Charge) (from 22.10.2020 to 21.04.2021)
3	Shri M. Nagaraj	Chairman & Managing Director (Addl. Charge)- (from.07.01.2020 to 06.04.2020) & (from 27.05.2020 to 26.08.2020)
		Director Corporate Planning (DCP) (Whole time Director) (w.e.f 01.02.2019)
4	Shri D. Guhan	Director Finance (DF) & Chief Financial Officer (Whole time Director) (w.e.f. 31.12.2019 - Afternoon)
5	Shri Harish Kumar Sharma	Company Secretary (w.e.f. 06.11.2013)

(c) Transactions with Associates:**Investment in Associates**

(₹ in crore)

Proportion of ownership	25%	40%	26%		
Nature of Transactions	Indbank Housing Ltd.	Shristi Urban Infrastructure Development Ltd.	Pragati Social Infrastructure & Development Ltd.	Signa Infrastructure India Ltd.	Total
Investments					
Balance as at 01.04.2020	2.50	2.00	0.13	0.01	4.64
Additions during the year	-	-	-	-	-
Deductions during the year	-	-	-	-	-
Balance as at 31.03.2021	2.50	2.00	0.13	0.01	4.64

NOTE 40 : (Contd.)
(d) Transactions with Key Management Personnel:

- a. Shri M. Nagaraj, DCP, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2021.
- b. Shri D. Guhan, DF, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2021.
- c. Shri Harish Sharma, Company Secretary has taken the following advances in the ordinary course of business.
 - i. House Building loan of ₹ 0.22 crore (interest bearing) from the Company which was released in two tranches of ₹ 0.11 crore in December, 2016 and ₹ 0.11 crore in March, 2018. The balance outstanding as on 31st March, 2021 is ₹ 0.10 crore including interest accrued ₹ 0.02 crore (maximum outstanding during the period is ₹ 0.13 crore).
 - ii. Welfare Advance of ₹ 0.02 crore in February, 2021. The balance outstanding as on 31st March, 2021 is ₹ 0.02 crore including NIL interest accrued (maximum outstanding during the period is ₹ 0.02 crore).
 - iii. Festival Advance (interest free) of ₹ 0.01 crore in October, 2020. The balance outstanding as on 31st March, 2021 is ₹ 0.01 crore (maximum outstanding during the period is ₹ 0.01 crore).

(e) Managerial Remuneration:

The remuneration of key management personnel and a relative of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.

(₹ in crore)

	2020-21	2019-20
Short term employees benefits	1.26	2.39
Post-employment benefits#	0.21	0.37
Other long-term benefits	-	-
Terminal benefits	-	-
TOTAL	1.47	2.76

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and hence individual amount cannot be determined.

- (f) As per DPE letter dated 21st January, 2013, the Chairman and Managing Director and Whole Time Directors' are entitled to use staff car for private use upto 1,000 km. per month against payment of ₹ 2,000/- per month.

In case of Associate Company:
a) Name of the related parties and description of relationship:
(a) Holding Company of Reporting Enterprise

Shristi Infrastructure Development Corporation Ltd. (SIDCL)

(b) Fellow subsidiaries

Sarga Hotel Private Ltd
(Formerly Shristi Hotel Private Limited)

Sarga Udaipur Hotel & Resorts Pvt Ltd.,
(Formerly Shristi Udaipur Hotels & Resorts Pvt. Ltd.)

Finetune Engineering Services Private Limited

Vipani Hotels & Resorts Private Limited

Border Transport Infrastructure Dev. Limited

East Kolkata Infrastructure Development Pvt. Ltd.

Vindhayachal Attivo Food Park Ltd.

Haldia Water services Pvt. Ltd.

NOTE 40 : (Contd.)**b) Transactions with Related parties:**

(₹ in crore)

Nature of transaction / Name of the related party	Holding Company	
	2020-21	2019-20
Borrowings		
Shristi Infrastructure Development Corporation Limited		
Taken during the year	0.02	0.39
Interest on Loan	0.46	0.46
Nature of transaction / Name of the related party		
Balance Outstanding:	31st March, 2021	31st March, 2020
Shristi Infrastructure Development Corporation Limited		
Borrowings	3.32	35.51
Interest payable	3.02	2.59
Nature of transaction / Name of the related party		
Balance Outstanding:	31st March, 2021	31st March, 2020
Sarga Udaipur Hotels & resorts Pvt.Ltd.		
Investment in equity	3.00	3.00
Reimbursement of Expenses	0.06	0.06

- The transactions with related party have been entered at an amount which is not materially different from those on normal commercial terms.
- The amounts outstanding are unsecured and will be settled in cash.
- No guarantees have been given or received.
- No expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by related parties.

C) Share in Net Assets and Income

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

Information in relation to the interest of the Company in Associates:**a) Details of Associates**

Name of the Company	Contribution towards equity (₹ in crore)	Country of Residence	Proportion of ownership
Shristi Urban Infrastructure Development Ltd.	2.00	India	40%
Pragati Social Infrastructure & Development Ltd.	0.13	India	26%
Signa Infrastructure India Ltd.	0.01	India	26%
Indbank Housing Ltd.	2.50	India	25%
Total	4.64		

NOTE 40 : (Contd.)

- b) The following table summarizes key information relevant to associate Shristi Urban Infrastructure Development Ltd. (₹ in crore)

Particulars	31 st March, 2021*	31 st March, 2020
Cash and cash equivalents	0.07	0.18
Trade receivables	5.20	5.18
Property, plant and equipment	0.01	0.01
Capital work-in-progress	32.78	31.91
Other financial assets	0.54	0.53
Other current assets	0.25	0.25
Other non-current assets	1.27	14.99
Current tax assets	0.18	0.15
Provisions	(0.02)	(0.02)
Borrowings	(21.82)	(35.51)
Trade payable	(0.37)	(0.63)
Other liabilities	(14.40)	(13.17)
Net Assets	3.69	3.86
Profit after tax	(0.19)	(0.56)

* Based on the unaudited financial results of associate Company.

Information in respect of Investments in Associate namely Pragati Social Infrastructure & Development Ltd, M/s. Signa Infrastructure India Ltd and Indbank Housing Limited has not been incorporated as HUDCO has decided to exit from the Associate and has provided for full diminution in the value of investment.

32) i) Corporate Social Responsibility

- a. The Company has formulated a CSR Policy in line with the guidelines issued by Department of Public Enterprise (DPE) vide its Office Memorandum No. CSR- 15/0008/2014-Dir (CSR) dated 01st August, 2016 and provisions of CSR in the Companies Act, 2013 with the approval of HUDCO's Board on the recommendations of Committee of Board.

As per Companies Act, 2013, Company approved allocation for CSR Budget for the FY 2020-21, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹ 34.46 crore. The amount spent during the year is ₹ 5.74 crore.

(₹ in crore)

S. No.	Particulars	Amount			
		2020-21		2019-20	
1.	Gross Amount of CSR required to be spent	34.46		27.67	
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	5.74	--	56.93	--

As per HUDCO's approved CSR Policy, 1st instalment of CSR assistance is released on completion of documentation and the subsequent instalments are released on receipt of utilization of certificate of the released CSR grant and after achieving physical/financial progress in the proposal. There has been a couple of cases where even after sanction of CSR Fund by HUDCO, documentation formalities were not completed by the agency and therefore the 1st instalment could not be released, as originally envisaged. In some of the cases, the agencies concerned could not achieve required physical/ financial progress and the due utilisation certificate for the CSR assistance released was not submitted by agencies. These factors result in delay/ time gap in incurring CSR expenditure.

NOTE 40 : (Contd.)

- b. Companies (CSR Policy) Amendment Rules 2021 dated 22nd January, 2021 issued by Ministry of Corporate Affairs has notified that the Company hereafter follows the amended rules. The legislative intent of these amendment was to restrain the companies from using the funds earmarked for CSR projects for meeting their working capital requirements, hence the new rules made it mandatory for the companies to transfer the available funds including the undisbursed amount of the ongoing projects to a separate bank account. Accordingly, any amount remaining unspent pursuant to ongoing projects undertaken by a Company in pursuance of its CSR policy shall be transferred by the Company in the unspent CSR Account within a period of 30 days from the end of financial year. CSR amount transferred to the said account shall be spent by the Company in pursuance of its obligation towards CSR Policy within a period of three financial years from the date of such transfer. Thereafter, balance of unspent amount, if any, shall be transferred to a fund specified in Schedule VII mentioned under section 135 of Companies Act 2013, within a period of 30 days from the date of completion of the third financial year. Further, the unspent amount of other than on-going CSR projects will be transferred to a fund specified in schedule VII of the Act on or before 30th September, 2021. The Company has transferred unspent CSR Fund of ₹ 80.19 crore to separate bank account on 29th April, 2021.
- c. As per new amended CSR rules, 2021, total unspent CSR amount of ₹ 80.19 crore has been booked as CSR expenditure and corresponding liability as provision on CSR has been created as of 31st March, 2021.

ii) Research & Development (R&D)

The Company had formulated a Research & Development (R&D) policy in line with the guidelines issued by the Department of Public Enterprises vide Office Memorandum No. 3(9)/ 2010-DPE (MoU) dated 20.09.2011. However, vide Office Memorandum No. M-05/0012/2014-DPE (MoU) dated 17th July, 2019, DPE informed that the guidelines prescribed vide above Office Memorandum dated 20.09.2011 have become redundant and stood withdrawn. The Board of Directors of HUDCO in its meeting held on 19.02.2020 noted the above development and has also approved to continue with HUDCO's own R&D policy formulated in 2012. The Board of Directors also approved to discontinue with earmarking 0.5% of PAT until the accumulated non-lapsable R&D funds are fully utilized. An amount of ₹ 9.97 crore as on 31st March, 2020 was available with HUDCO as non-lapsable R&D funds. During the FY 2020-21, an amount of ₹ 0.22 crore was spent on R&D projects.

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

Particulars		2020-21*	2019-20**
i)	CRAR (%)	64.01%	55.47%
ii)	CRAR - Tier I capital (%)	63.11%	55.03%
iii)	CRAR - Tier II Capital (%)	0.91%	0.43%
iv)	Amount of subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

* CRAR is prepared on yearly basis. CRAR as on 31st March, 2021 has been calculated based on provisional unaudited Ind-AS financial statements.

** Previous year's figures have been changed on the basis of audited accounts.

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

(₹ in crore)

Particulars	2020-21	2019-20
Balance at the beginning of the year		
(a) Statutory Reserve u/s 29C of the NHB Act, 1987	4,795.19	4,295.19
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987		
(c) Total	4,795.19	4,295.19

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	2020-21	2019-20
Addition / Appropriation / Withdrawal during the year		
Add:		
(a) Amount transferred u/s 29C of the NHB Act, 1987	440.00	500.00
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987		
Less:		
(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	-	-
Balance at the end of the year		
(a) Statutory Reserve u/s 29C of the NHB Act, 1987	5,235.19	4,795.19
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987		
(c) Total	5,235.19	4,795.19

c) Investments

(₹ in crore)

Particulars	2020-21	2019-20
3.5.1. Value of Investments		
(i) Gross value of Investments		
(a) In India	252.67	235.39
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	3.11	3.11
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	249.56	232.38
(b) Outside India	-	-
3.5.2. Movement		
(i) Opening balance	3.11	3.11
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/Written-back of excess provisions during the year	-	-
(iv) Closing balance	3.11	3.11

d) Derivatives
i. Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)

(₹ in crore)

Particulars	2020-21	2019-20
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

NOTE 40 : (Contd.)**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 st March, 2021 (instrument-wise)	NIL
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL

iii) Disclosures on Risk Exposure in Derivatives**A. Qualitative Disclosure**

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.

B. Risk Management Structure:

- (a) The Company enters into derivatives viz. Principal only Swaps, Currency and Interest Rate Swaps for hedging the interest/ exchange rate risk in foreign currency liabilities. An Asset Liability Management Committee (ALCO) is currently functioning under the chairmanship of Director Finance with Head of Resources, Head of Operations, Head of Loan accounts, Head of General Accounts, Head of Economic Cell, Head of Risk Management as Member Secretary, or any other officer nominated as by ALCO Chairman as its members. ALCO monitors effectiveness of existing and new hedging instruments/ strategies being used/ to be used for management of the Currency risk and also for taking stock of the market movements. The decisions of the ALCO are reviewed by the Risk Management Committee (RMC) for managing the risks. The decisions taken by the RMC are subsequently reported to the Board of Directors.
- (b) These derivative transactions are done for hedging purpose and not for trading or speculative purpose.
- (c) Reference may be drawn to Sub point No. 4.6 of para 4 of Notes forming part of accounts under Significant Accounting Policies for relevant accounting policy on Transactions in Foreign Currency.

C. Quantitative Disclosure

(₹ in crore)

Particulars	Currency Derivatives* 2020-21	Interest Rate Derivatives 2020-21
(i) Derivatives (Notional Principal Amount)	10.30	-
(ii) Marked to Market Positions[1] **		-
(a) Assets (+)	0.66	-
(b) Liability (-)		
(iii) Credit Exposure[2]	0.66	-
(iv) Unhedged Exposures	116.57	-

* Swap arrangement entered into with Bank of India and Exim Bank in respect of foreign currency loans availed from ADB and USAID have not been considered as Currency Derivatives. Only the Currency Swap entered into by the Company with ICICI Bank in respect of USAID-II loan has been considered as Currency Derivative.

** The mark to market positions mentioned above are those as informed by the counterparties (generally banks).

NOTE 40 : (Contd.)
e) Securitisation: (NHB)
i) Outstanding Amount of Securitised assets for originating HFCs.

S. No.	Particulars	No./Account
1	No. of SPVs sponsored by the HFC for securitization transactions*	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	2020-21	2019-20
(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	2020-21	2019-20
(i) No. of accounts	NIL	NIL
(ii) Aggregate value (net of provisions) of accounts assigned	NIL	NIL
(iii) Aggregate consideration	NIL	NIL
(iv) Additional consideration realized in respect of accounts transferred in earlier years	NIL	NIL
(v) Aggregate gain / loss over net book value	NIL	NIL

iv) Details of non-performing financial assets purchased / sold
A. Details of non-performing financial assets purchased

Particulars	2020-21	2019-20
(a) No. of accounts purchased during the year	NIL	NIL
(b) Aggregate outstanding	NIL	NIL
(c) Of these, number of accounts restructured during the year	NIL	NIL
(d) Aggregate outstanding	NIL	NIL

NOTE 40 : (Contd.)**B. Details of non-performing financial assets sold**

Particulars	2020-21	2019-20
1. No. of accounts sold	NIL	NIL
2. Aggregate outstanding	NIL	NIL
3. Aggregate consideration received	NIL	NIL

f) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in crore)

Particulars	Up to 30/31 days (one month)	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years & upto 7 years	Over 7 years & upto 10 years	Over 10 Years	Total
Liabilities											
Deposits	2.18	1.83	2.54	5.19	7.11	3.86	0.06	-	-	-	22.77
Borrowings from Bank	-	-	6.03	66.31	138.84	1,830.86	483.73	132.86	-	-	2,658.63
Market Borrowing	1,135.00	100.00	1,512.72	-	3,369.91	17,787.86	2,487.68	4,026.93	26,553.93	1,083.52	58,057.55
Foreign Currency Liabilities	-	-	29.57	18.56	49.04	81.25	19.06	19.06	22.47	-	239.01
Assets											
Advances	63.53	1,856.88	195.00	1,456.35	2,857.34	11,219.23	9,998.72	9,134.03	30,111.47	7,399.34	74,291.89
Investments	7.59									243.31	250.90
Foreign Currency Assets	-	-	14.88	-	15.24	15.72	-	-	-	-	45.84

* Mismatches, if any, are supported by committed/ undrawn working capital limits from banks.

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

(₹ in crore)

Category		2020-21	2019-20
a)	Direct Exposure		
	(i) Residential Mortgages-		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)	54.65	67.14
	(ii) Commercial Real Estate-		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits:	1,130.75	1,152.78
	(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures-		
	a) Residential	-	--
	b) Commercial Real Estate	-	--
b)	Indirect Exposure		
	Fund based and non-fund-based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

NOTE 40 : (Contd.)
ii) Exposure to Capital Market

(₹ in crore)

Particulars	2020-21	2019-20
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (At Cost)	46.75	46.75
(ii) Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	NIL
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/ convertible debentures/ units of equity oriented mutual funds does not fully cover the advances;	NIL	NIL
(v) Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers;	NIL	NIL
(vi) Loans sanctioned to corporate against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
(vii) Bridge loans to companies against expected equity flows/ issues;	NIL	NIL
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market	46.75	46.75

(iii) Details of financing of parent Company products: Not Applicable on Company

h) Disclosure of Penalties imposed by NHB and other regulators: No penalty has been levied.

i) Rating assigned by Credit Rating Agencies and migration of rating during the year

- The credit rating of HUDCO's domestic debt instrument(s) and Banking Sector Loan(s)/Facilities reaffirmed as "AAA-Stable" (Long term) and "A1+" (Short term) – the highest rating on Standalone basis by the three credit rating agencies, viz., M/s India Ratings and Research Private Ltd (IRRPL), M/s CARE Ratings and ICRA Ratings.
- During the financial Year 2020-21, two International Credit Rating agencies viz., Fitch and Moody's has awarded "BBB-with Negative Outlook" and "Baa3 with Negative Outlook" respectively of the Company. Each of the above credit ratings is equivalent to India's sovereign rating, and is of Investment grade.

j) Change in Accounting Policies

During the year 2020-21, some of the accounting policies have been modified and one new accounting policy on capital work-in-progress has been added and all of the said changes are only clarificatory in nature and does not have any financial impact.

NOTE 40 : (Contd.)

The details of the changes is as given below:

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
4.	Significant accounting policies		
4.1	Statement of Compliance	Statement of Compliance	
	The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended). The date of transition to Ind AS is 1 st April 2017.	The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended).	<i>The last sentence i.e., 'The date of transition to Ind AS is 1st April 2017.' has been deleted.</i> Change is only clarificatory and has no financial impact.
4.9	Investment properties	Investment properties – Ind as 40	Change is only clarificatory in the heading and has no financial impact.
	The Company has elected to continue with the carrying value for all of its investment property as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 01 st April 2017 as per Ind AS 40- 'Investment Property'.	----	The para has been deleted as this is of no more relevance as on date. Change is only clarificatory and has no financial impact.
4.10	Property, Plant and Equipment (PPE) and Intangible assets	Property, Plant and Equipment (PPE) and Intangible assets	
	Recognition On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as at 31 March 2017, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1 st April 2017.	Recognition The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1 st April 2017.	Change involves only literature change and thus is only clarificatory and has no financial impact.
4.12	No Policy	Capital-work in Progress	
	--	Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct and related incidental expenses. Intangible assets under development Intangible assets not ready for the intended use on the date of Balance sheet are disclosed as Intangible assets under development.	The new policy is only clarificatory in nature and has no financial impact.
4.13	Leases	Leases	

NOTE 40 : (Contd.)

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
b)	<p>As a lessor</p> <p>When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.</p> <p>The Company recognizes lease payments received under operating lease as income on a straight-line basis over unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".</p>	<p>As a lessor</p> <p>When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.</p> <p>The Company recognizes lease payments received under operating lease as income on a straight-line <i>basis over the term of relevant lease</i> unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".</p>	<p>Addition of words "over the term of relevant lease" is only clarificatory and has no financial impact.</p>
b)	<p>The Company's obligation towards sick leave, earned leave, leave travel concession, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.</p>	<p>The Company's obligation towards sick leave, earned leave, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.</p>	<p>The words 'leave travel concession' has been deleted, since not applicable.</p> <p>Change is only clarificatory and has no financial impact.</p>
4.20	<p>Taxes</p>	<p>Taxes- Ind AS 12</p>	<p>Change is only clarificatory in the heading and has no financial impact.</p>
	<p>Current income tax</p> <p>Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.</p> <p>Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).</p> <p>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.</p>	<p>Current income tax</p> <p>Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.</p> <p>Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).</p> <p>In respect of disputed income tax/ wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.</p>	<p>The words 'interest tax' has been deleted, since there are no interest tax cases pending as on date.</p> <p>Change is only clarificatory and has no financial impact.</p>

NOTE 40 : (Contd.)

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
4.21	Dividend and Tax on Dividend	Dividend	Change is only clarificatory in the heading and has no financial impact since the change has been necessitated because of change in Taxation Law pertaining to taxes on Dividend.
	The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.	Proposed final dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.	Change in the language is only clarificatory and has no financial impact.
4.23	Contingent liabilities and assets	Contingent liabilities and assets	
	Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable and recognised when realization of income is virtually certain.	Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.	Change is only clarificatory and has no financial impact.
5.5	Significant accounting Judgements, Estimates and Assumptions	Significant accounting Judgements, Estimates and Assumptions	
	<p>The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.</p> <p>When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.</p> <p>Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.</p>	<p>The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.</p> <p>Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.</p>	<p>As it is covered in 4.21 and 4.22 and this policy is about Judgements and estimates, so para deleted.</p> <p>Change is only clarificatory and has no financial impact.</p>

NOTE 40 : (Contd.)

S. No.	Existing Accounting Policy	Proposed Accounting Policy	Remarks
5.8	--	Impact of Covid-19 Outbreak - The extent to which the Covid-19 pandemic will impact the Company will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Govt. or the Company to contain its spread or mitigate its impact	The said disclosure on account of COVID is only clarificatory/ informative in nature and has no financial impact

k) Provision and Contingencies

(₹ in crore)

S. No.	Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	2020-21	2019-20
1.	Provisions for depreciation	-	-
2.	Provision made towards Income tax	427.50	453.00
3.	Provision towards NPA*	74.02	(375.90)
4.	Provision for Standard Assets *		
	i) Commercial Real Estate (Residential Housing) - CRE-RH	(4.17)	(1.07)
	ii) Commercial Real Estate- CRE	(0.85)	1.64
	iii) Other than CRE & CRE-RH	(0.83)	17.54
	iv) Others (special dispensation by NHB)	-	(29.26)
	v) Investment in unquoted Bonds	-	-
	Other Provision and Contingencies		
5.	A. Provision for Employee Benefit		
	i) Leave Encashment	2.09	7.92
	ii) Post-Retirement medical benefit	13.23	14.79
	iii) Welfare expenses	0.04	0.13
	iv) Gratuity	(3.31)	1.41
	v) Provident Fund	18.77	16.44
	B. Provision on Debtors/ recoverable, other loans and advances	0.49	0.59

*The figures reported above are as per NHB Provision, however the same is not appearing in the Profit & Loss due to application of ECL as per Ind As norms.

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

Particulars	2020-21	2019-20
Total Deposits of twenty largest depositors (₹ in crore)	15.24	139.78
Percentage of Deposits of twenty largest depositors to Total Advances of the HFC	66.87%	82.90%

*The Company has discontinued acceptance/ renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019.

ii. Concentration of Loans & Advances

Particulars	2020-21	2019-20
Total Loans & Advances to twenty largest borrowers (₹ in crore)	62,517.43	61,547.56
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	82.80%	80.38%

NOTE 40 : (Contd.)**iii. Concentration of all Exposure (including off-balance sheet exposure)**

Particulars	2020-21	2019-20
Total Exposure to twenty largest borrowers / Customers (₹ in crore)	67,367.75	67,560.46
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/customers	82.96%	76.61%

iv. Concentration of NPAs

(₹ in crore)

Particulars	2020-21	2019-20
Total Exposure to top ten NPA accounts	2,291.74	2,204.85

v. Sector wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		2020-21	2019-20
A.	Housing Loans:		
1.	Individuals	17.52%	15.31%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	100.00%	100.00%
4.	Others(specify)	0.88%	0.09%
B.	Non-Housing Loans:		
1.	Individuals	0.00%	0.00%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates#	85.03%	93.28%
4.	Others(specify)	1.80%	1.67%

Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.

m) Movement of NPAs

(₹ in crore)

Particulars	2020-21	2019-20
(I) Net NPAs to Net Advances (%)	0.61%	0.19%
(II) Movement of NPAs (Gross)#		
a) Opening balance	2,445.07	2,804.01
b) Additions during the year	362.47	143.78
c) Reductions during the year	50.66	502.72
d) Closing balance	2,756.89	2,445.07
(III) Movement of Net NPAs (Project Loans)		
a) Opening balance	209.04	192.06
b) Additions during the year	246.65	122.21
c) Reductions during the year	8.86	105.23
d) Closing balance	446.83	209.04

NOTE 40 : (Contd.)

(₹ in crore)

Particulars	2020-21	2019-20
(IV) Movement of provisions for NPAs		
(excluding provisions on standard assets)		
a) Opening balance	2,236.04	2,611.94
b) Provisions made during the year	114.92	20.85
c) Write-off/write-back of excess provisions	40.90	396.75
d) Closing balance	2,310.06	2,236.04

#Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order.

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

(₹ in crore)

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	2020-21	2019-20	2020-21	2019-20
Standard Assets*				
a) Total Outstanding Amount	46,008.55	44,544.42	27,689.78	30,224.61
b) Provisions made	190.37	186.31	118.03	127.94
Sub-Standard Assets				
a) Total Outstanding Amount	362.52	0.84	-	143.05
b) Provisions made	54.38	0.13	-	21.46
Doubtful Assets – Category-I				
a) Total Outstanding Amount	0.52	0.16	143.05	3.70
b) Provisions made	0.13	0.04	35.76	0.93
Doubtful Assets – Category-II				
a) Total Outstanding Amount	0.39	0.48	103.69	184.83
b) Provisions made	0.16	0.19	72.91	101.28
Doubtful Assets – Category-III				
a) Total Outstanding Amount	152.61	153.88	1,971.53#	1,935.36#
b) Provisions made	152.61	153.88	1,971.53	1,935.36
Loss Assets				
a) Total Outstanding Amount	22.59	22.63	-	0.16
b) Provisions made	22.59	22.63	-	0.16
TOTAL				
a) Total Outstanding Amount	46,547.18	44,722.41	29,908.05	32,491.72
b) Provisions made	420.23	363.17	2,198.24	2,187.13
c) Additional Provision made	-	-	297.12	482.57
d) Total Provision made	420.23	363.17	2,495.36	2,669.70

* Includes Interest Accrued Figures also

Excludes one loan account which is being treated as standard in compliance to Hon'ble Madras High Court Order

NOTE 40 : (Contd.)**o) Overseas Assets**

Particulars	2020-21		2019-20	
	(₹ in crore)	(US \$ in Millions)	(₹ in crore)	(US \$ in Millions)
Bank Deposits - Under lien with Bank of India, Cayman Islands branch, USA	45.75	6.22	75.88	10.07

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

No SPV has been sponsored by the Company

q) Customers Complaints

Particulars	2020-21	2019-20
a) No. of complaints pending at the beginning of the year	0	2
b) No. of complaints received during the year	1867	1358
c) No. of complaints redressed during the year	1866	1360
d) No. of complaints pending at the end of the year	1	0

r) There are no advances outstanding for which intangible securities such as charge over the rights, licences, authority etc have been taken.

s) The Company has not extended any loan/advances against gold as collateral security.

35) (a) Figures of the previous period have been regrouped/ rearranged/ re-casted wherever considered necessary to make them comparable with figures for current year.

(b) Figures in rupees have been rounded off to crore without decimals except where specifically indicated.

For and on behalf of the Board

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

As per our Separate report of even date attached

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

Sd/-
Rajan Uppal
Partner
(Membership No. 097379)

Place of signature : New Delhi
Date : 29th June, 2021

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	NOT APPLICABLE
2.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Shristi Urban Infrastructure Development Ltd	Signa Infrastructure India Ltd.	Pragati Social Infrastructure Development Ltd. *	Ind Bank Housing Ltd
1. Latest audited Balance Sheet Date	31 st March, 2020	31 st March, 2020	Not Available	31 st March, 2021
2. Date on which the Associate or Joint Venture was associated or acquired	20 th June, 2005	18 th August, 2006	6 th April, 2005	28 th January, 1991
3. Shares of Associate/Joint Ventures held by the Company on the year end				
Number of Shares	20,00,000	13,000	1,30,000	25,00,000
Amount of Investment in Associates/ Joint Venture (₹)	2,00,00,000	1,30,000	13,00,000	2,50,00,000
Extent of Holding %	40	26	26	25
4. Description of how there is significant influence	Agreement	Agreement	Agreement	Associate
5. Reason why the associate/joint venture is not consolidated	Not Applicable	HUDCO has decided to exit from said entity and provided for full diminution in the value of investment. Further Accounts of FY 2020-21 not made available	HUDCO has decided to exit from said entity and provided for full diminution in the value of investment. Further Accounts of FY 2020-21 not made available	HUDCO has provided for full diminution in the value of investment.
6. Net worth attributable to shareholding as per latest un-audited Balance Sheet (as on 31.03.2021) (₹ in crore)	0.69	Not Applicable	Not Applicable	Not Applicable
7. Profit/Loss for the Year ended 31.03.2021				
i. Considered in Consolidation (₹ in crore)	(0.08)	Not Applicable	Not Applicable	Not Applicable
ii. Not Considered in Consolidation (₹ in crore)		Not Applicable	Not Applicable	Not Applicable

* Case filed before National Company Law tribunal, Kolkata on 28.2.2013 against M/s. Pragati Social Infrastructure & Development Ltd. under section 241(Application to Tribunal for relief in cases of oppression, etc) of Companies Act, 2013, further the Company has not provided unaudited / audited accounts for the year 2020-2021 or any of the previous years and the same are also not available at MCA site.

<p>Sd/- Harish Kumar Sharma Company Secretary ACS 6557</p> <p>Place of signature : New Delhi Date : 29th June, 2021</p>	<p>Sd/- D. Guhan Director Finance & Chief Financial Officer DIN 06757569</p>	<p>For and on behalf of the Board</p> <p>Sd/- M. Nagaraj Director Corporate Planning DIN 05184848</p> <p>As per our Separate report of even date attached</p> <p>For Prem Gupta & Co. Chartered Accountants (Firm Registration No. 000425N)</p> <p>Sd/- Rajan Uppal Partner (Membership No. 097379)</p>
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YEARWISE DETAILS OF HUDCO'S OPERATIONS

YEAR	NO. OF SCHEMES	GROSS LOAN SANCTIONED	AMOUNT RELEASED	DWELLING UNITS	PLOTS
		(-----Amt. in crore-----)			
1971-72	19	34.86	5.51	22095	10883
1972-73	46	36.06	7.44	21269	3297
1973-74	53	30.63	13.15	19017	4390
1974-75	67	37.52	22.63	25165	1450
1975-76	163	54.47	35.84	36345	798
1976-77	242	72.70	40.08	53714	16738
1977-78	179	88.05	48.78	140141	5539
1978-79	227	107.98	65.86	99463	9475
1979-80	227	139.20	77.04	202841	6317
1980-81	346	161.68	89.97	268363	6107
1981-82	392	193.62	105.24	276948	14342
1982-83	516	221.33	131.78	284879	11890
1983-84	617	283.93	149.11	316349	7344
1984-85	677	352.88	199.82	318837	16601
1985-86	697	387.42	222.51	339832	15210
1986-87	581	392.02	270.15	306716	9182
1987-88	650	496.73	324.60	300938	18285
1988-89	755	651.28	438.05	380547	82701
1989-90	844	906.84	541.60	665485	32870
1990-91	1164	1385.89	735.00	832803	20211
1991-92	956	1348.09	834.00	669905	29844
1992-93	831	1110.42	858.91	399179	20821
1993-94	971	1368.45	1003.58	416274	24111
1994-95	1094	1763.24	1121.50	372803	12945
1995-96	912	1966.91	1241.80	393692	18258
1996-97	973	2470.59	1575.90	423248	43623
1997-98	795	3061.86	2263.20	553156	22457
1998-99	1146	6666.67	3200.71	1860357	23669
1999-00	659	8899.89	4372.74	1635844	22117
2000-01	360	7912.73	4829.32	3097651	8871
2001-02	341	8140.53	4661.78	736519	12477
2002-03	316	15627.21	8179.68	873047	35471
2003-04	364	13415.31	6136.27	969883	5842
2004-05	317	13861.62	5920.88	1119742	15758
2005-06	224	10099.19	3766.52	192197	2181
2006-07	287	12162.55	3452.41	140970	5573
2007-08	306	13500.61	3754.02	98868	4185
2008-09	192	14754.30	4020.07	114009	1477
2009-10	147	16623.76	3098.07	297907	1191

YEAR	NO. OF SCHEMES	GROSS LOAN SANCTIONED	AMOUNT RELEASED	DWELLING UNITS	PLOTS
		(-----Amt. in crore-----)			
2010-11	134	19761.68	5104.28	295732	2643
2011-12	130	20511.40	6905.74	422524	181853
2012-13	140	23974.06	6079.10	439286	57247
2013-14	134	17490.94	7437.50	1434102	243
2014-15	162	21095.54	8101.29	484128	128
2015-16	202	30774.44	8249.96	457879	701
2016-17	178	31861.97	9145.00	271498	0
2017-18	116	386848.03	16564.83	1548602	0
2018-19	77	34451.54	31008.59	2068151	0
2019-20	50	19942.03	10121.83	307277	0
2020-21	43	9201.78	8323.37	12488	0

CUMULATIVE STATEWISE PERFORMANCE AS ON 31ST MARCH, 2021

State/ UT's	Proj. Sanc.	Proj. Cmpl.	Cities Covrd	Borr Covrd	Proj. Cost	Loan Sanc	Loan Rel.	Dwelling Units		Plots	Sanitation Units	No of Oth.Unts
					(-----Amt. in crore-----)			Upgd	New			
ANDHRA PRADESH	1352	1332	132	90	48850.09	19485.72	17633.63	98426	2393320	3343	1359064	2066
ARUNACHAL PRADESH	10	8	5	7	40.3	26.38	6.39	0	1822	0	75	78
ASSAM	191	186	43	83	1760.2	1150.18	897.51	15536	40713	1812	83578	543
BIHAR	205	199	31	85	14814.36	3677.51	1232.95	23032	80162	5740	4293	3716
CHHATTISGARH	265	261	36	59	26025.44	1954.44	1869.33	314	88247	18572	59929	10563
DELHI	77	70	6	45	62188.64	21634.83	21442.73	0	1694920	0	0	6
GOA	38	35	12	11	662.48	358.10	285.14	5983	1410	1526	45500	28
GUJARAT	1253	1241	125	147	78551.48	7559.39	6861.93	55868	538349	8196	6169	5280
HARYANA	385	349	73	38	8720.31	4549.69	2568.39	17437	107428	4987	173042	2902
HIMACHAL PRADESH	185	175	31	24	2371.96	1223.33	1200.22	948	73647	2022	0	0
JAMMU & KASHMIR	116	87	23	19	4407.26	547.49	546.33	11123	12828	11330	17203	1454
JHARKHAND	131	30	16	52	10261.91	3892.24	3441.49	10346	360721	2000	869	2362
KARNATAKA	1434	1335	149	177	43702.56	15252.02	13826.36	287596	2691141	38872	188780	3415
KERALA	1109	1096	71	99	21593.5	13516.84	7435.43	99286	1255454	651	40640	469
MADHYA PRADESH	1319	1264	147	391	22035.11	9954.17	8403.63	9436	200729	141286	412915	9031
MAHARASHTRA	1231	1155	116	127	112662.54	12814.06	9267.25	52566	450546	18355	264855	2161
MANIPUR	42	34	2	8	1760.9	1066.64	265.51	385	14691	0	12300	113
MEGHALAYA	36	34	5	13	1442	802.78	364.04	291	15104	0	4689	4
MIZORAM	40	40	7	8	237.77	148.26	148.26	5150	7890	148	0	1
NAGALAND	516	439	27	70	1879.6	1380.86	1379.44	78	22391	333	49	959
ORISSA	453	449	87	85	3801.88	1566.59	1576.35	15283	261651	7147	76412	1584
PUNJAB	541	523	112	44	8630.37	4610.25	3235.37	14864	103170	7169	222233	72
RAJASTHAN	1219	904	147	253	22510.6	14181.80	11936.86	0	944401	70493	417392	1190
SIKKIM	42	38	10	3	4252.75	1188.92	1074.5	3854	12050	0	0	1
TAMIL NADU	2261	2250	213	102	46736.74	18372.99	15107.01	324776	1195510	161749	169767	4471
TELANGANA	865	845	101	76	46863.67	25944.17	23769.76	45817	930754	2344	1017869	587
TRIPURA	38	35	8	18	746.26	289.58	152.78	1909	5661	1	18788	129
UTTAR PRADESH	1305	1260	80	92	78269.39	20304.34	18279.88	31991	1297142	65877	1587378	5199
UTTARAKHAND	115	101	24	33	2940.58	960.60	770.79	3506	54668	560	35527	59
WEST BENGAL	335	331	62	100	8589.31	3345.58	3417.01	3020900	194188	5346	446951	1355
A & N ISLANDS	17	17	1	3	26.06	13.29	10.91	500	534	0	0	5
CHANDIGARH	76	76	1	4	1718.36	118.21	171.16	0	28036	8045	10	484
DADRA NAGAR HAVELI	2	2	1	2	0.35	0.25	0	45	42	0	0	0
PUDUCHERRY	97	52	11	7	2314.26	1190.87	948.51	0	8455	0	40	51
TOTAL SANCTIONS	17301	16253	1915	2375	691368.99	213082.37	179526.85	4157246	15087775	587904	6666317	60338

INCLUDING HUDCO NIWAS :->

LOAN AMOUNT : 219928.13 Cr.
 RELEASE AMOUNT : 184687.18 Cr.
 DWELLING UNITS : 19631499

CATEGORY WISE HOUSING DETAILS AS ON 31ST MARCH, 2021

(₹ in crore)

CATEGORY	CUMULATIVE		CURRENT YEAR	
	Loan Sancd.	Dwell Units	Loan Sancd.	Dwell Units
EWS(R)	21860.20	11139520	0.00	0
EWS(U)	36589.52	5736261	180.00	7323
LIG (U)	2812.68	1315934	0.00	0
LIG(R)	3548.49	127720	0.00	0
MIG	6388.24	590550	354.00	4606
HIG	7898.77	335036	355.19	486
A - TOTAL	79097.90	19245021	889.19	12415
B - HUDCO NIWAS:	6845.76	386478	20.61	73
TOTAL (A+B)	85943.66	19631499	909.80	12488

SECTORWISE URBAN INFRASTRUCTURE PROJECTS SANCTIONED

(₹ in crore)

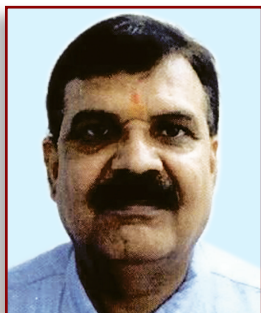
CATEGORY	CUMULATIVE			CURRENT YEAR		
	No. of Projects	Project Cost	Loan Sancd.	No. of Projects	Project Cost	Loan Sancd.
Housing Related Infra (Full)						
Water Supply	552	89820.99	29930.63	0	0.00	0.00
Sewerage	73	5867.72	2704.42	5	1588.06	914.67
Drainage	26	4009.45	2420.75	1	213.28	150.00
Solid Waste MGT	22	780.5	340.22	1	145.95	75.00
Basic Sanit (UI)	2	133.27	74.22	0	0.00	0.00
UI Smart City	1	1459.28	1000	1	1459.28	1000.00
Total	676	102071.21	36470.24	8	3406.57	2139.67
Hsg Related Inf (Partial)#						
Area Development.	114	2547.92	1607.99	0	0.00	0.00
Social Infrastructure	585	13574.32	8588.61	10	1094.26	613.22
Roads & Bridges	470	130942.23	32238.56	2	2909.77	1527.00
Total	1169	147064.47	42435.16	12	4004.03	2140.22
Other Infrastructure						
Transport Nagar	65	21230.61	5283.12	0	0.00	0.00
Airport	9	2853.14	1647.23	0	0.00	0.00
Port Trust	11	8926.73	2730.75	0	0.00	0.00
Railways	7	18281.30	5656.62	2	3846.00	3076.80
Commercial	221	9805.03	3393.00	5	279.46	241.00
SPL. Eco. Zone	3	2762.73	613.35	0	0.00	0.00
Indus. Infra.	25	96471.93	4340.5	0	0.00	0.00
IT Parks	22	2026.26	649.36	0	0.00	0.00
Power	93	106640.59	23904.96	3	399.29	268.08
Operational	5	13.54	13.28	0	0.00	0.00
Miscellaneous	42	1540.59	818.10	2	503.01	399.50
Total	503	270552.45	49050.27	12	5027.76	3985.38
UI Total	2348	519688.13	127955.67	32	12438.36	8265.27
Other-Housing **	14953		6028.8	11		26.71
Grand Total	17301		219928.13	43		9201.78

** OTHERS : Includes Land Aquisition, ILCS, Bldg. Material, Commercial and Basic Sanitation.

Partial : Includes Highways, Land acquisition for projects such as power, exclusive industrial development, SEZs.

Full : Includes all the Schemes under eligible Components of Housing related Infrastructure.

SENIOR EXECUTIVES



Shri Ajay Mishra
Chief Vigilance Officer



Dr. D. Subrahmanyam
Sr. ED (O)/HSMI



Shri Shailesh Prakash Tripathi
ED (IT/ISO)



Shri Qamar Ali
EDF



Shri HT Suresh
ED (H/RF/HR)



Dr. Alok Kumar Joshi
EDP (UI)



Shri Yatish Kumar Singh
ED (Law-O)
(upto 30-09-2020)



Dr. SK Gupta
EDT (HSMI)
(upto 31-10-2020)



Shri V. Thirumavalavan
ED (BHRO)
(upto 31-01-2021)



Shri Akhilesh Kumar
EDP (C&C/CSR)
(upto 22-04-2021)



Smt. Rekha V. Sarathy
ED (IA)
(upto 30-04-2021)



Dr. H. Verma
ED (Risk Mgt./CRO)
(upto 31-05-2021)



Shri Harish Kumar Sharma
Company Secretary

HUDCO OFFICES

Corporate-cum-Registered Office

Housing and Urban Development Corporation Limited

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DETAILS OF AUDITORS AND BANKERS

STATUTORY AUDITORS

M/s PREM GUPTA & CO.
Chartered Accountants,
2342, Faiz Road,
Karol Bagh, New Delhi - 110005

BANKERS NAME AS ON 31.03.2021

Sl. No.	List of Banks & Address	Sl. No.	List of Banks & Address
1.	Axis Bank Statesman House, Barakhamba Road, New Delhi – 110001	11.	Bank of Baroda (Formely Vijaya Bank) D-65, Hauz Khas, New Delhi – 110016
2.	Canara Bank 74, Janpath, New Delhi – 110001	12.	Indusind Bank Hyatt Regency Delhi, Bhikaiji Cama Place, Ring Road, New Delhi – 110066
3.	Union Bank of India (earlier Corporation Bank) M-3&4, Shopping Centre, Greater Kailash-II, New Delhi – 110048	13.	Kotak Mahindra Bank G- F 3A-3J Ground Floor, Ambadeep, 14 kasturba Gandhi Marg, New Delhi
4.	ICICI Bank 9A, Phelps Building, Inner Circle, Connaught Place, New Delhi – 110001	14.	State Bank of India CAG Branch 4 th & 5 th Floor Red Fort Capital Parasvnath Tower Bhai Veer Singh Marg, Gole Market, New Delhi – 110001
5.	IDBI Bank 1/6 Siri Fort , Institutional Area, Khel Gaon Marg, New Delhi – 110049	15.	HDFC Bank 209-214, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi – 110001
6.	Punjab National Bank 26A, K G Marg ECE House, Cantt. Place, New Delhi – 110001		
7.	Reserve Bank of India 6, Sansad Marg, Parliamentary Street, New Delhi – 110001		
8.	State Bank of India (Former SBH) Pragati vihar Delhi Ground Floor, Core 6, Scope Complex, Lodi Road – 110003, New Delhi		
9.	Canara Bank (earlier Syndicate Bank) Khan Market Branch, New Delhi – 110003		
10.	Union Bank of India Moti Bagh Branch, New Delhi – 110066		

[illegible]



Construction of Tunnel for Nagpur Mumbai Super Communication Expressway, Maharashtra



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

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

Tel.: 011-24649610-23, 24648420, Fax: 011-24625308

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CIN: L74899DL1970GOI005276

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