



**GIC HOUSING FINANCE LTD.**

YOUR ROAD TO A DREAM HOME

WE MAKE YOUR  
**DREAM** EASY



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**ANNUAL REPORT**  
2018 -19



28<sup>th</sup> Annual General Meeting



Training Programme





## CORPORATE INFORMATION

## BOARD OF DIRECTORS

- 1) Smt. Alice G. Vaidyan Chairperson  
(Upto 31/07/2019)
- 2) Shri. A. V. Girija Kumar Director
- 3) Shri. Girish Radhakrishnan Director
- 4) Shri. Atul Sahai Director
- 5) Smt. Tajinder Mukherjee Director
- 6) Smt. Sashikala Muralidharan Director
- 7) Shri. V. Ramasamy Director
- 8) Shri. Kamlesh S. Vikamsey Director
- 9) Smt. Mona Bhide Director
- 10) Shri. B. Chakrabarti Director
- 11) Shri. M. K. Garg Director
- 12) Shri. A. V. Muralidharan Director
- 13) Shri. NSR Chandra Prasad Director
- 14) Smt. Neera Saxena Managing Director & CEO

**SENIOR VICE PRESIDENT & COMPANY SECRETARY (CFO)**  
Shri S. Sridharan

**AUDITORS**

M/s. CNK & ASSOCIATES LLP (Firm Reg. No. 101961W)  
Chartered Accountants, Mumbai.

**PRINCIPAL BANKERS**

Allahabad Bank, Axis Bank Ltd., Bank of Baroda, Bank of India, Bank of Maharashtra, Corporation Bank, HDFC Bank Ltd., Kotak Mahindra Bank Ltd., Kotak Mahindra Life Insurance Company Ltd., State Bank of India, Union Bank of India, United Bank of India, ICICI Bank Ltd., The Jammu & Kashmir Bank Ltd., SBI life Insurance Company Ltd., Canara Bank, Federal Bank, Catholic Syrian Bank Ltd., HSBC, Karnataka Bank Ltd., Central Bank of India.

**REGISTERED OFFICE**

National Insurance Building,  
6<sup>th</sup> Floor, 14, Jamshedji Tata Road,  
Churchgate, Mumbai - 400 020.

**REGISTRAR AND SHARE TRANSFER AGENT**

M/s. Karvy Fintech Private Limited,

**Corporate Office:**

Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad,  
Telangana-500032.  
Tel No. +91 40 67162222  
Fax No. +91 40 23420814  
Email: einward.ris@karvy.com

**Mumbai Front Office:**

24-b, Raja Bahadur Mansion,  
Ground Floor, Ambalal Doshi Marg,  
Behind BSE, Fort, Mumbai-400023.  
Tel No. +91 226623 5454/412/427

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29<sup>th</sup> ANNUAL GENERAL MEETING

- Date : Thursday, 19<sup>th</sup> September, 2019  
Time : 3.30 p.m.  
Venue : Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Rangaswar Hall, 4<sup>th</sup> Floor, General Jagannath Bhosale Marg, Mumbai-400 021.


**BOARD COMMITTEES**
**Audit Committee**

- 1) Shri V. Ramasamy - Chairman
- 2) Shri Kamlesh S. Vikamsey - Member
- 3) Smt. Sashikala Muralidharan - Member
- 4) Shri A. V. Muralidharan - Member

**Stakeholders Relationship Committee**

- 1) Shri M.K. Garg - Chairman
- 2) Shri A. V. Muralidharan - Member
- 3) Smt. Sashikala Muralidharan - Member
- 4) Shri NSR Chandra Prasad - Member

**Nomination and Remuneration Committee**

- 1) Smt. Mona Bhide - Chairperson
- 2) Shri V. Ramasamy - Member
- 3) Smt. Sashikala Muralidharan - Member
- 4) Shri B. Chakrabarti - Member

**Asset Liability Management Committee**

- 1) Shri B. Chakrabarti - Chairman
- 2) Shri V. Ramasamy - Member
- 3) Shri M.K. Garg - Member
- 4) Smt. Neera Saxena - Member

**Risk Management Committee**

- 1) Shri A. V. Muralidharan - Chairman
- 2) Shri M. K. Garg - Member
- 3) Shri NSR Chandra Prasad - Member
- 4) Smt. Neera Saxena - Member

**Corporate Social Responsibility Committee**

- 1) Shri NSR Chandra Prasad - Chairman
- 2) Smt. Mona Bhide - Member
- 3) Shri B. Chakrabarti - Member
- 4) Smt. Neera Saxena - Member

**MANAGEMENT**

- 1) Shri S. Sridharan Senior Vice President & Company Secretary
- 2) Shri Sudev B. Nair Senior Vice President
- 3) Shri Mahesh Ghagre Senior Vice President

**BUSINESS HEAD**

Sr. No.	Branch Office	Manager
1	Ahmedabad	Mr. Arpit Tambi
2	Barasat	Mr. Akshay Singh Thakur
3	Bengaluru	Mr. Mithun Mohan
4	Bhubaneswar	Mr. Vinayak Sharad Joshi
5	Boisar	Mr. Santosh Janaba Khavare
6	Borivali	Mr. Kiran Alhad Lad
7	Chandanagar	Mr. Thangaraj
8	Chandigarh	Mr. Varun Mehta
9	Chennai	Mr. Sanjay Koppikar
10	Chinchwad	Ms. M. Tamil Selvi
11	Coimbatore	Mr. Osho Yadhu T R
12	Dehradun	Mr. Amit Kumar Singh
13	Delhi	Mr. Vinayak Kumar
14	Durgapur	Mr. Dibyendu Mohan Das
15	Dwarka	Mr. Nirmal Kishore Rawat
16	Diamond Harbour	Mr. N. Ragothaman
17	Electronic City	Mr. R. Ramachandran
18	Garia	Mr. Santosh Singh
19	Ghaziabad	Mr. Shanish Sharma
20	Greater Noida	Mr. Lohit T. V.
21	Gurgaon	Mr. Sawrabh Kumar
22	Guwahati	Mr. Subhajit Basu
23	Hadapsar	Mr. Vicky Adtani
24	Hinjewadi	Mr. Suresh Narsappa Yelwe
25	Hubli	Mr. Umesh M Mogaveera
26	Hyderabad	Mr. Mainak Pal
27	Indore	Ms. Kriti Kaul Ogra
28	Jaipur	Mr. Sukhendu Acharya
29	Jodhpur	Mr. Ganesh Singh Hada
30	Kalyan	Mr. Rohit Medhekar
31	Kengeri	Mr. V. Prajaraanjan Reddy
32	Kochi	Mr. Abhilash P.S.
33	Kolhapur	Mr. Amit Vilas Desai
34	Kolkata	Mr. N. Ragothaman
35	Kozhikode	Mr. Tom Thomson
36	L B Nagar	Mr. Mahesh Mogaveera
37	Lucknow	Mr. Deepak Kumar
38	Ludhiana	Mr. Amit Dahiya
39	Malout	Mr. Varun Mehta
40	Madgaon	Mr. Christopher D Souza
41	Madurai	Mr. Chandra Mogaveera
42	Mangalore	Mr. Shashidhara A Mogaveera
43	Meerut	Mr. Amit Thakur
44	Mumbai	Ms. Supriya Joshi
45	Nagpur	Mr. Amol Arvind Bhosale
46	Nashik	Mr. Ankush Arjun Raut
47	Navi Mumbai	Ms. Mahalakshmi Sharma
48	Nellore	Mr. Aluri Kishor
49	Nere Panvel	Mr. Swapnil Chandrakant More
50	Noida	Mr. K. Jagadish
51	Panaji	Mr. Harish Kamath
52	Panvel	Mr. S. Vijayaramesh
53	Patiala	Mr. Angad Singh
54	Patna	Mr. Pramender Singh
55	Pitampura	Ms. Sakshi Arora
56	Porur	Mr. Sreenivas Putta
57	Pune	Mr. Yogesh Deshpande
58	Raipur	Mr. Imran Ahamad Ansari
59	Siliguri	Mr. Parameswar Ghoshal
60	Suchitra	Mr. D. Avinash Reddy
61	Surat	Mr. Yogesh Suresh Namaye
62	Tambaram	Mr. G. Rajasekar
63	Thane	Mr. Joseph Thomas
64	Thrissur	Mr. Aswath Kuruvila
65	Trichy	Mr. V. Kumaraguru
66	Trivandrum	Mr. Jayaram V.
67	Vadodara	Mr. Arijit Ghose
68	Varanasi	Mr. Ashish Kumar Singh
69	Vasai	Ms. Sushma Rohit Shetty
70	Vijayawada	Mr. K. Appa Rao
71	Virar	Mr. Amit Kumar Jha
72	Vizag	Mr. K. Vishnu Vardhan Rao
73	Whitefield	Mr. Suvanjan Biswas
74	Yelahanka	Mr. S. Prashanth Kumar



**Smt. Alice G. Vaidyan**  
Chairperson



**Shri A. V. Girijakumar**  
Director



**Shri G. Radhakrishnan**  
Director



**Shri Atul Sahai**  
Director



**Smt. Tajinder Mukherjee**  
Director



**Smt. S. Muralidharan**  
Director



**Shri V. Ramasamy**  
Director



**Shri Kamlesh S. Vikamsey**  
Director



**Smt. Mona Bhide**  
Director



**Shri B. Chakrabarti**  
Director



**Shri M. K. Garg**  
Director



**Shri A. V. Muralidharan**  
Director



**Shri NSR Chandra Prasad**  
Director



**Smt. Neera Saxena**  
Director



(CIN: L65922MH1989PLC054583)

Reg. Office: National Insurance Building, 6<sup>th</sup> Floor, 14, Jamshedji Tata Road, Churchgate, Mumbai 400020, India

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Website: www.gichfindia.com

## **NOTICE**

### **29<sup>th</sup> ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Members of **GIC HOUSING FINANCE LTD.** will be held on **Thursday, 19<sup>th</sup> September, 2019** at 3.30 p.m. at Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Rangaswar Hall, 4<sup>th</sup> Floor, General Jagannath Bhosale Marg, Mumbai-400 021 to transact the following business(es):

#### **ORDINARY BUSINESS:**

**Item No. 1: Adoption of Audited Annual Financial Statements for the year ended 31<sup>st</sup> March, 2019 together with the Reports of the Directors and Auditors thereon.**

To receive, consider and adopt the audited Annual Financial Statements for the year ended 31<sup>st</sup> March, 2019 together with the Reports of the Directors and Auditors thereon.

**Item No. 2: Declaration of Dividend for the year ended 31<sup>st</sup> March, 2019.**

To declare dividend of ₹ 5.50/- per Equity Shares for the financial year ended 31<sup>st</sup> March, 2019.

**Item No. 3: Re-appointment of Director, Shri A. V. Girijakumar (DIN 02921377) as Non-Executive Director.**

To re-appoint a Director in place of Shri A. V. Girijakumar (DIN 02921377) who retires by rotation and being eligible, offers himself for re-appointment.

**Item No. 4: Appointment of M/s. M. P. Chitale & Co. (Firm Registration no. 101851W) as Statutory Auditors and to fix their remuneration.**

To consider and approve the appointment of M/s. M. P. Chitale & Co. (Firm Registration no. 101851W) as Statutory Auditors of the Company for a period of 5 years till the conclusion of the 34<sup>th</sup> Annual General Meeting and to fix their remuneration and to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) and re-enactment(s) thereto), and such other applicable provisions, if any, M/s. M. P. Chitale & Co., Chartered Accountants, Mumbai (Firm registration number 101851W) be and are hereby appointed as the Statutory Auditors of the Company in place of retiring Auditor, M/s. CNK & ASSOCIATES LLP, Mumbai, till the conclusion of the 34<sup>th</sup> Annual General Meeting to be held in the year 2024-25 at a remuneration of ₹14.80 lacs plus applicable taxes and out of pocket expenses for F.Y. 2019-20.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to fix the remuneration and out of pocket expenses for the said period as may be mutually decided between the M/s. M. P. Chitale & Co., Chartered Accountants and the Board.”

#### **SPECIAL BUSINESS:**

**Item No. 5: Appointment of Smt. Sashikala Muralidharan (DIN 08036523) as Non-Executive Director.**

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

**“RESOLVED THAT** Smt. Sashikala Muralidharan (DIN 08036523) who was appointed as an Additional Director of the Company pursuant to Article 111 of Article of Association of the Company with effect from 28<sup>th</sup> June, 2018 and who holds office up to the conclusion of forthcoming 29<sup>th</sup> Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing her candidature for the



Office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, whose period of Office shall be liable to retire by rotation.”

**Item No. 6: Appointment of Smt. Tajinder Mukherjee (DIN 08227563) as Non-Executive Director.**

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

“**RESOLVED THAT** Smt. Tajinder Mukherjee (DIN 08227563) who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 26<sup>th</sup> November, 2018 and who holds office up to the conclusion of forthcoming 29<sup>th</sup> Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing her candidature for the Office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, whose period of Office shall be liable to retire by rotation.”

**Item No. 7: Appointment of Shri Girish Radhakrishnan (DIN 08268834) as Non-Executive Director.**

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

“**RESOLVED THAT** Shri Girish Radhakrishnan (DIN 08268834) who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 26<sup>th</sup> November, 2018 and who holds office up to the conclusion of forthcoming 29<sup>th</sup> Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, whose period of office shall be liable to retire by rotation.”

**Item No. 8: Appointment of Shri Atul Sahai (DIN 07542308) as Non-Executive Director.**

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

“**RESOLVED THAT** Shri Atul Sahai (DIN 07542308) who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 1<sup>st</sup> February, 2019 and who holds office up to the conclusion of forthcoming 29<sup>th</sup> Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company, whose period of office shall be liable to retire by rotation.”

**Item No. 9: Increase in the Borrowing Powers of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** in supersession of the Resolution dated 2<sup>nd</sup> August, 2018 passed by the Shareholders in the last year Annual General Meeting, consent be and is hereby accorded to the Board of Directors of the Company including any Committee thereof for the time being, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 & other applicable provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof and Article 66, 67 and 68 of the Articles of Association of the Company to borrow money either in rupees or in such other foreign currencies, as may be permitted by law from time to time, as and when required, from Commercial Banks, Co-operative Banks, Financial Institutions, Mutual Funds, Public Financial Institutions, National Housing Bank, Promoters, Foreign Financial Institutions, Provident Fund Trusts, Pension Funds or from any other person(s) or entities as Term Loans, through issue of Commercial Paper, Masala Bonds, External Commercial Borrowings, through issue of secured Redeemable Non-Convertible Debentures on Private Placement basis which together with monies already borrowed by the Company (apart from temporary loans obtained from the Bankers of the Company in the ordinary course of the business) shall not exceed in the aggregate at any one time beyond **₹17,000 crores (Rupees Seventeen Thousand Crores Only)** irrespective of the fact such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of the paid up capital of the Company, its free reserve (reserve not set apart for any specific purpose) and Securities Premium Account.”

**Item No. 10: Creation of Charge on Movable and Immovable Properties.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

**“RESOLVED THAT** the consent of the Company be and is hereby granted in terms of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions of any statutory modification(s) or re-enactment(s) thereof and Article 67 of the Articles of Association of the Company and subject to all other necessary approvals to the Board to secure, for creation of mortgage or charge on all or any of the Company’s immovable and/or movable assets, both present and future, in such manner and on such terms as may be deemed fit and appropriate by the Board for the purpose of the said Borrowings.”

**Item No. 11: Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 42 and Section 71 of the Companies Act, 2013 and other applicable provisions, if any, of Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, as may be amended from time to time, SEBI (Issue and Listing of Debt Securities ) Regulations, 2008 including any amendment, modification, variation or re-enactment thereof, Equity Listing Regulation, the Housing Finance Companies Issuance of Non-Convertible Debentures on a Private Placement basis (NHB) Directions, 2014 and subject to other applicable regulations/guidelines, consent of the Members of the Company, be and is hereby accorded for making offer(s) or invitation(s) to subscribe to Redeemable Non-Convertible Debenture (NCDs)/ Bonds of **₹1500 Crores (Rupees Fifteen Hundred Crores only)** in one or more series/tranches on a private placement basis on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be during a period of 1 (One) year from the date of passing this Resolution which is within the overall limits of the Company as approved by Members from time to time.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to the Officials of the Company, to give effect to the aforesaid Resolution.”

**Item No. 12: Related Party Transactions upto an aggregate limit of ₹ 2,000 crores only.**

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

**“RESOLVED THAT** approval of the Members of the Company be and is hereby accorded to enter into agreement(s) / transaction(s) with Related Parties (namely General Insurance Corporation of India, The New India Assurance Company Ltd., Oriental Insurance Company Ltd., United India Insurance Company Ltd. and National Insurance Company Ltd.), in the ordinary course of business at arm’s length basis for the purpose of raising funds through NCDs / Bonds, to take property/properties on lease / rent, to avail / render any services or any other kind of transactions which construe to be Related Party Transactions up to an aggregate limit of ₹2,000 crores till the conclusion of 30<sup>th</sup> AGM from the date of this Resolution including the transaction(s) already entered into with such party / parties.”

**“RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to the Officials of the Company, to give effect to the aforesaid Resolution.”

**Item No. 13: Alteration in Objects Clause of the Memorandum of Association.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 4, 13 and all other applicable provisions of the Companies Act, 2013 and Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), subject to all necessary approvals, consents, permissions and/or sanctions as may be necessary and subject to such amendments, modifications, terms and conditions as may be suggested or required by such appropriate authority(ies), which the Board of Directors is authorised to accept, as it may deem fit, consent of the members of the Company be and is hereby accorded for alteration/modification, substitution, addition and deletion in the Objects Clause (Clause III) of the Memorandum of Association of the Company as follows and consequently changing the object numbering as may be appropriate :





- A. The existing Clause III (A)(1) (Main objects Clause) of the Memorandum of Association of the Company be altered as new Clause III(a) as under:

**III (a) MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:-**

1. To carry on the business of providing long term finance on such terms and conditions as the Company may deem fit, to Individuals, Co-operative Societies, Association of Persons, Companies or Corporations, or such other persons or entities for purchase of plots, houses, flats, apartments and/or construction, repair, renovation and/or upgradation of houses, flats or apartments for residential purpose.
2. To carry on the business of providing loans to persons and other entities engaged in the business of construction of houses or flats for residential or non-residential/commercial purpose upon such terms and conditions as the Company may think fit and proper.
3. To carry on the business of providing loan to individuals, Co-operative Societies, Association of Persons, Companies or Corporations or such other persons or entities for any purpose, upon such securities and on such other terms and conditions as the Company may think fit and proper.
4. To carry on the business of providing loans for purchase of consumer durables on such terms and conditions as the Company thinks fit in the interest of the Company, to the borrower of Housing Loan and/or to others and to charge differential interest rates to the existing Borrowers and fresh applicants.
5. To carry on the business of acting as Corporate Agent and/or Sub-Agent in respect of life and non-life insurance of any kind/description and collect agency commission/remuneration/fee thereon.

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and in accordance with the Table A of the Schedule I of the Act, consent of the members be and is hereby accorded for alteration in the Memorandum of Association of the Company, by merging appropriate and relevant objects of the Memorandum of Association, mentioned under Clause III (C) - ‘Other Objects’ with Clause III (B) - ‘Objects Incidental or Ancillary to the attainment of the Main Objects’ and consequently changing the object numbering as may be appropriate.”

**“RESOLVED FURTHER THAT** in accordance with the Table A of the Schedule I of the Act, the Clause III (B) of the Memorandum of Association of the Company, be renamed as under:

**III (b) MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN THE CLAUSE III(a) ARE:**

The modifications/additions in new Clause III (b) of Memorandum of Associations are as under:

**1. In place of existing clause 4, the following clause be inserted as new clause 8 :**

“Subject to the provisions of Companies Act 2013, as amended from time to time and the National Housing Bank Act, 1987 and any Directions issued thereunder from time to time or any other applicable law, rule or regulation for the time being in force, to solicit and accept deposits or loans from the public or banks or any financial institutions, company or other body corporate or any individual or the National Housing Bank or any religious or charitable trust with or without interest, and to secure the same in such manner or on such terms and conditions as the company may think fit and proper and to guarantee the debts, obligations and contracts of any person firm, company or corporation whatsoever.”

“Subject as stated herein above, also to receive money on deposit or loan and to borrow or raise or secure the payment of money in such manner as the Company may think fit and in particular by the issue of loan stocks, debentures, or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future), including its uncalled capital and also by a similar mortgage charge or lien to secure and guarantee the performance by the Company or any other person or company or any obligation undertaken by the Company or any other person or company as the case may be and to purchase, redeem or pay off any such securities.”

**2. In place of existing Clause 5A, the following clause be inserted as new clause 10 :**

“To set up, provide or participate in providing, venture capital, technology funding, and seed or risk capital for residential housing development, including giving guarantees or such other capital assistance as may be conducive for the development of new residential housing enterprises, innovative methods of constructing or developing residential housing projects; and the development of existing or new technology for residential housing projects; to identify new or existing residential housing projects, to prepare project reports, project profiles, market research, feasibility studies and reports, pre-investment studies for residential housing industry on the macro and micro levels, in any particular geographical area or location; to act as lead manager for the financing of residential housing projects by undertaking follow-up supervision and co ordination work at the instance of or for housing finance companies, banks, financial institutions, companies, or other bodies corporate and to monitor the same for the participant; to act as an advisor in the setting up and management of residential housing undertakings, projects or companies by introducing modern methods, techniques and systems, and to render appropriate assistance to the construction equipment industry in particular and to the housing industry in general.”

“To finance project for urban development including any programme for social and economic upliftment in any urban area either alone or in consortium with banks, other housing finance companies, financial institutions or other authorities on such terms and on such security as may be determined by the Company. Without prejudice to the foregoing the urban development programme shall mean and include among financing projects for land development, provisions of roads, water supply, sanitation and electricity.”

**3. In place of existing clause 11, the following clause be inserted as new clause 16:**

“To get the services/assistance of any office or agent of any of the Promoter Companies in furtherance of the aforesaid objects and to pay for the services so rendered; and generally to appoint agents, sub-agents, licenses or distributors.”

**4. The existing clause 17 be deleted.**

**5. The existing clause 18 be modified as following new clause 22:**

“To invest and deal with the moneys (not immediately required for the business) in, and to hold, sell and deal with the stocks, shares, bonds, debentures, debenture stocks, obligations, deposits, Mutual Funds, notes and securities of any Government, states, company, Corporation Municipal or Local or other Body or Authority.”

**6. The existing clause 24 be modified as following new clause 28:**

“To draw, make, accept, endorse, negotiate, discount, execute and issue promissory notes, bills of exchange and other negotiable, semi-negotiable or transferable instruments or securities and to enter into contracts for buying and selling foreign exchange.”

**7. The existing clause 32 be deleted.**

**8. The existing clause 42 be modified as following new clause 48:**

“To employ / appoint and remunerate the experts to investigate and examine into the condition, prospects, value, character and circumstances of business concerns and undertaking and generally of any assets, property or rights.”

**9. The following clauses be inserted as new clauses 57, 58, 59, 60, 61, 62 and 63:**

“To finance for the constructions and maintenance of any projects of township development, expressway roads, inland water transport, bridges, water supply, sewerage and sanitation and electricity on such terms and on such security as may be determined by the Company.”

“To do everything as given in the Object clause of the Company subject to the compliance of any rules and regulations framed by any regulatory and statutory authority (ies) including National Housing Policy of Govt. of India from time to time for housing finance Company(ies) and in case there is any conflict between any of objects of the Company and Regulatory / Statutory provisions, the latter shall prevail”.

“To provide information and guidance on government policies and regulations and to assist in obtaining various consents, approvals, from Government or other authorities or agencies which may be required for housing establishments and undertakings or in its diversification/expansion.”



“To study and advice Government in formulating incentive schemes to attract investments in housing industry.”

“To advice Government or any other body or person for setting up of residential /industrial complex / estates.”

“To carry on the business of leasing and hire purchase finance and to provide on lease and/or on hire purchase or to utilise all types of houses, sites, flats, office and other plants, construction equipment and machinery, computers, electronic data processors, tabulators, air conditioners, domestic equipment and appliances and for the purpose to purchase or otherwise acquire dominion over the same whether new or used or acquired by the Company in the course of recovery under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act).}”

“To carry on business of subscribing, acquiring, holding, buying and selling or otherwise dealing with, in any manner whatsoever securities, stocks, shares, debentures, debenture stock, obligations, notes and securities of any government, company, corporation or association of persons or any other incorporated company or entity or body corporate including that of subsidiary company/ies and or associate company/ies.”

**10. The following clauses be inserted as new clauses 77:**

“To carry on:

- (a) The business of purchasing and selling debts, receivables and claims of all types including, inter alia, bills of exchange and other securitisation/factoring services,
- (b) leasing and hire-purchases of all kinds whether in India or abroad,
- (c) broking and sub-broking of all types including broking and sub-broking of shares/ debentures/bonds/ loans and any other type of securities or instruments in India or abroad,
- (d) custodial activities,
- (e) renting of property,
- (f) marketing of financial products of other companies and financiers for infrastructure development including setting up of projects or otherwise,
- (g) activity of arrangers of the issue of shares, debentures, loans bonds or any other types of securities/ instruments,
- (h) property advisory and consultancy services,
- (i) to make loans, give guarantees and provide securities to or on behalf of anybody corporate or other person, to guarantee the due performance and discharge by receivers, liquidators, committees, guardians, executors, administrators, trustees, attorneys, brokers and agents of their respective duties and obligations.”

“**RESOLVED FURTHER THAT** the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**Item No. 14: Alteration in Liability Clause of the Memorandum of Association.**

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the approval of the Company be and is hereby accorded for substitution of the existing Clause IV of the Memorandum of Association of the Company with the following new Clause IV:

“IV. The liability of members is limited and this liability is limited to the amount unpaid, if any, on the Shares held by them.”

“**RESOLVED FURTHER THAT** Company Secretary be and is hereby authorized to take all such actions as may be necessary, desirable or expedient and to do all such necessary acts, deeds and things that may be incidental or pertinent to give effect to the aforesaid resolution(s).”

**Item No. 15: Approval for Adoption of new set of Articles of Association of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013, read with the rules and regulations made there under and other applicable provisions, if any including any statutory modification(s) or re-enactment(s) thereof, the new set of Articles of Association (as circulated along with notice of this meeting) be and are hereby approved and adopted in substitution for and to the exclusion of the existing set of Articles of Association of the Company.”

**“RESOLVED FURTHER THAT** Company Secretary be and is hereby authorised to do all acts, deeds and things necessary and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place: Mumbai

Date: 26.07.2019

**Registered Office:**

National Insurance Building,  
6<sup>th</sup> Floor, 14, Jamshedji Tata Road,  
Churchgate,  
Mumbai-400020

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

**Sd/-**

**S. Sridharan**

**Sr. Vice President & Company Secretary**

**ROAD MAP FOR 29<sup>TH</sup> AGM VENUE**



**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IS SENT WITH ANNUAL REPORT.
2. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of item Nos.4 to 15 is given below and forms part of the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **14<sup>th</sup> September 2019 (Saturday) to 19<sup>th</sup> September 2019 (Thursday) (both days inclusive)** in connection with the Annual General Meeting and for the purpose of payment of dividend for the year 2018-19.
5. The dividend as recommended by the Board, if declared at the meeting, will be paid to those Members:
  - a) Whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/ Registrar and Share Transfer agent on or before **13<sup>th</sup> September, 2019 (Friday)**, and
  - b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on **13<sup>th</sup> September, 2019 (Friday)** furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
6. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the Depositories for depositing dividend. Dividend will be credited to the Members' Bank Account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
7. Members attending the Annual General Meeting are requested to bring the following for admission to the meeting hall (as applicable).
  - a) Attendance Slip duly completed and signed as per the specimen signature lodged with the Company.
  - b) Members holding shares in dematerialized form, their DP and Client ID number(s).
  - c) Members holding shares in physical form, their folio number(s).
  - d) Copy of the Annual Report (2018-19).
8. The Company would accept only the Attendance Slip from a Member actually attending the Meeting; or from the person attending as a Proxy under a valid proxy form registered with the Company not less than 48 hours prior to the Meeting. Attendance Slip of Members not personally present at the meeting and Proxy Forms, which are invalid, will not be accepted.
9. Member Companies or Organisations are requested to send a copy of the resolution of their governing body authorising their representative to attend and vote at the Annual General Meeting.
10. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e. Electricity/Telephone Bill, Driving License or a copy of the Passport etc. and bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company/ RTA.
11. Members are requested to update their PAN Number and Bank Account Particulars in the record of Company by sending the self-attested PAN Card copy and Original Cancelled cheque either to the Company directly or to the Registrar and Share Transfer Agent viz. **M/s. Karvy Fintech Pvt. Ltd., Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032.**





12. In all correspondence with the Company, members are requested to quote their folio numbers and in case their shares are held in the dematerialised form, they must quote their DP ID. and Client ID. No(s).
13. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to an individual Member. Members holding shares in physical form may utilise the nomination facility available by sending the prescribed Form No.SH-13 duly filled, to our Registrars and Share Transfer Agents viz. **Karvy Fintech Pvt. Ltd.**, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032. Members holding shares in dematerialised form has to send their “nomination” request to the respective Depository Participants.
14. SEBI has recently amended regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and mandated all the listed companies to not to accept the request for transfer of securities which are held in physical form, with effect from April 1, 2019. Accordingly, shareholders who continue to hold their shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with company / RTA for further transfer. Hence, Shareholders are requested to convert their physical securities in demat form compulsorily if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the Company/ RTA.
15. Investors/ Members are requested to kindly note that if physical documents viz. Demat Request Form (DRF) and Share Certificates etc... are not received from their DPs by the Registrar within a period of 15 days from the date of generation of the DRN for dematerialisation, the DRN will be treated as rejected/ cancelled. This step is being taken on the advice of Depository viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) so that no demat request remains pending beyond a period of 21 days. Upon rejection/ cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with the share certificates by the DPs to the Registrar. This note is only to advise investors/ Members that they should ensure that their DP's do not delay in sending the DRF and share certificates to the Registrar after generating the DRN.
16. Dividend for the financial year 2011-12 which remains unclaimed, will be due for transfer to the Investor Education and Protection Fund (IEPF) of the Central Government, pursuant to the provisions of Section 124 of the Companies Act, 2013 in the month of September, 2019. Members, who have not yet encashed their dividend for the financial year 2011-12, are requested to lodge their claims with the Company or **M/s. Karvy Fintech Pvt. Ltd. (RTA)** without delay. Company has already sent reminder to the shareholders on 28<sup>th</sup> June 2019 who have not claimed dividend for F.Y. 2011-12 as per our records. During the year 2018-19, the Company has deposited a sum of ₹ 17,69,598/- (Rupees Seventeen Lacs Sixty Nine Thousand Five Hundred and Ninety Eight only) to Investor Education and Protection Fund of the Central Government, on account of unclaimed/ unpaid dividend for the year 2010-11.
17. Those Members who have not encashed or received their dividend for the financial years 2011-12 to 2017-18 are requested to approach our Registrars and Share Transfer Agents viz. **M/s. Karvy Fintech Pvt. Ltd.**, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032.
18. The Members holding shares in more than one folio are requested to consolidate their folios by sending a request letter to the Company or to the Registrar and Share Transfer Agent of the Company. Consolidation of folios would facilitate one-stop tracking of all corporate benefits and would reduce time and effort required for monitoring multiple folios. Consolidation of share certificates also helps in saving costs in case of dematerialisation and also provides convenience in holding shares physically.
19. A brief profile of the Directors seeking appointment and/or re-appointment is furnished and forming part of the notice as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
20. All Documents referred to the Notice are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. to 5.00 p.m. up to the date of the Annual General Meeting.
21. Annual Report Copy including Notice of 29<sup>th</sup> AGM inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent by electronic mode to all those shareholders whose email addresses are registered with the Company/RTA or Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 are sent by the permitted mode.



22. The annual report of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.gichfindia.com](http://www.gichfindia.com)

23. In terms of the provisions of Section 107 of the Companies Act 2013, since the resolutions as set out in this Notice are being conducted through e-voting and ballot paper, the said resolutions will not be decided on a show of hands at the AGM.

**24. Voting through Electronic Means :**

- a) In compliance with the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule 2014 as amended by the Companies (Management and Administration) Amendment Rules 2015, the Company is offering E-voting facility to all its Members to enable them to exercise their right to vote on all matters listed in this Notice of 29<sup>th</sup> AGM by electronic means and the business may be transacted through e-voting services. The members who do not have access to e-voting facility shall be given Ballot form also from the Company for casting votes. The facility of casting 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 **Karvy Fintech Pvt. Ltd. (Karvy)**.
- b) The facility for voting through ballot paper only shall be made available at the AGM venue also and the members attending the meeting who have not cast their vote either by remote e-voting or by ballot form, shall be able to exercise their right at the meeting through ballot paper.
- c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- d) The remote e-voting period commences on **16<sup>th</sup> September, 2019 (Monday) (at 9.00 a.m.) and ends on 18<sup>th</sup> September, 2019 (Wednesday) (at 5.00 p.m.)**. During this period, Members' of the Company, holding shares either in physical form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- e) A person, who is not a member as on cut-off date, should treat this notice for information purpose only.

The instructions for e voting are as under:

**A) In case a Member receives an email from Karvy [for members whose email IDs are registered with the Company/Depository Participant(s)] :**

- (i) Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e. User ID and password) which will be sent you separately. Your Folio No./DP ID - Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com>
- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) You will now reach password change menu wherein you are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like \*, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.

- (vi) On successful login, the system will prompt you to select the E-Voting Event Number for GIC Housing Finance Limited.
- (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head.
- (viii) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (x) You may then cast your vote by selecting an appropriate option and click on “Submit”.
- (xi) A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: [cs.gichf@gmail.com](mailto:cs.gichf@gmail.com) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format “GIC Housing Finance Limited\_4802”.

**B) In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :**

- i) Initial password is provided in below format at the bottom of the Attendance Slip for the AGM :

USER ID	PASS WORD
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- ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of Point A as given above to cast vote.

- f) In case of any query pertaining to e-voting, please visit Help & FAQ’s section available at Karvy’s website <https://evoting.karvy.com>.
- g) If the member is already registered with Karvy e-voting platform then he/she can use his/her existing User ID and password for casting the vote through remote e-voting.
- h) As the Voting would be through electronic means, the members who do not have access to e-voting, are given Physical Ballot form from the Company. Members are required to fill in the ballot form and send it to the Scrutinizer in the enclosed self - addressed Prepaid Postage Business Reply Envelope.
- i) Postage Charges will be borne by the Company. However, in case a Member sends the Ballot Form by courier or registered post or delivers it in person at his expenses, such Ballot Form will also be accepted. Unsigned, incomplete or incorrectly ticked forms shall be rejected.
- j) The ballot must be received by the Scrutinizer **on or before 18<sup>th</sup> September, 2019 (Wednesday) by 5.00 p.m.** The Scrutinizers decision on the validity of the forms will be final. Members are required to vote only through the electronic system or through Ballot only and in no other form. In the event, a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.
- k) You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication(s).



- l) The Voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut - off date of 13<sup>th</sup> September, 2019 (Friday). A person whose name is recorded in the register of Members or in the register of beneficial owners maintained by the Depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Ballot Paper.
- m) Shri Makarand Joshi of M/s. Makarand M. Joshi & Co. has been appointed as Scrutinizer to scrutinize the voting by ballot paper and remote e-voting process in a fair and transparent manner.
- n) The Scrutinizer shall after the conclusion of voting at the general meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall countersign the same and declare the result of the voting therewith.
- o) The Results declared along with Scrutinizer's Report shall be placed on the Website of the Company [www.gichfindia.com](http://www.gichfindia.com) after the declaration of result by the Chairperson or a person authorized by her in writing and also the same will be communicated to the NSE and BSE Limited.

#### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 17(11) OF SEBI (LODR) REGULATIONS 2015 AND ADDITIONAL INFORMATION AS PER REGULATION 36 OF SEBI (LODR) 2015 AND SECRETARIAL STANDARD TO THE EXTENT APPLICABLE.

#### Item No. 3 : Reappointment of Shri A. V. Girijakumar (DIN 02921377), as Non-Executive Director of the Company.

Being an ordinary business item, below information is provided as per Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard.

Shri A. V. Girijakumar (DIN 02921377), aged 59 years, MBA, All is the Non-Executive Director of our Company who was originally appointed in our Board on 18<sup>th</sup> August, 2017. Shri A. V. Girijakumar is also Chairman cum Managing Director (CMD) of The Oriental Insurance Company Ltd. w.e.f. 31<sup>st</sup> May, 2017. Prior to this, he was Director & General Manager and also Officiating CMD of National Insurance Company Ltd. and United India Insurance Company Ltd.

Shri A. V. Girijakumar joined New India Assurance Company as a Direct Recruit Officer in 1980 and served in various parts of the Country including a stint in Saudi Insurance. Shri A. V. Girijakumar is having more than three decades of rich and vast experience in the Non - Life Insurance Industry. He has also served in the Board of ITC Limited from 19<sup>th</sup> March, 2010 to 23<sup>rd</sup> July, 2016.

Shri A. V. Girijakumar has attended 2 meetings during the year out of total 7 Board Meetings.

The other Directorships/ Committee memberships of Shri A. V. Girijakumar are as follows:

Name of the Company	Board Membership	Committee Membership
The Oriental Insurance Company Limited	Chairman cum Managing Director	CSR Committee - Chairman
Agriculture Insurance Company of India Limited	Nominee Director	-
Health Insurance TPA of India Limited	Nominee Director	-

Shri A. V. Girijakumar does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Shri A. V. Girijakumar, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the Resolution at Item No. 3 to be passed as an Ordinary Resolution.

**Item No. 4: Appointment of M/s. M. P. Chitale & Co. (Firm Registration no. 101851W) as Statutory Auditors and to fix their remuneration.**

This statement is provided pursuant to the provisions of SEBI Listing Regulations.

M/s. CNK & ASSOCIATES LLP, Chartered Accountants, Statutory Auditors of the Company will be completing total 10 years of tenure at the ensuing 29<sup>th</sup> AGM which is the maximum permissible term for audit firm under the provisions of Companies Act, 2013. Accordingly, pursuant to the provision of section 139 and the Companies (Audit and Auditors) Rules, 2014, (including any modification(s) and re-enactment(s) thereto), and such other applicable provisions, if any, M/s. M P Chitale & Co., Chartered Accountants (Firm Registration No. 101851W) is proposed to be appointed as new Statutory Auditors of the Company, for a period of 5 years, commencing from the conclusion of the forthcoming 29<sup>th</sup> AGM till the conclusion of the 34<sup>th</sup> AGM.

M/s. M. P. Chitale & Co., Chartered Accountants was founded in the year 1947 by late Shri M.P. Chitale who was eminent fiscal economist, ICAI President (1965 - 1966). He also held various prestigious positions including Director of RBI. The firm is having 15 experienced Partners with long professional standing. The firm provides professional services in various sectors including Real estate, Insurance, Banking NBFCs etc. It has wide geographical spread through associates at national and international level. IRDA has involved MPC Partners in various research initiatives.

It is recommended to appoint M/s. M. P. Chitale & Co. as Statutory Auditors on a professional fee of ₹14,80,000/- (Rupees Fourteen Lakhs Eighty Thousand only) plus applicable taxes & out of pocket expenses for the year 2019-20.

M/s. M. P. Chitale & Co., Chartered Accountants, have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Resolution at Item No. 4 to be passed as an Ordinary Resolution.

**ITEM NO. 5: Appointment of Smt. Sashikala Muralidharan (DIN 08036523) as Non-Executive Director.**

Smt. Sashikala Muralidharan (DIN 08036523), aged 59 years, a Graduate in commerce from University of Madras, ICWAI Intermediate and an Associate of Insurance Institute of India, was appointed as Additional Director (Non-Executive Director) of our Company on 28<sup>th</sup> June, 2018 upto the conclusion of 29<sup>th</sup> AGM. Smt. Sashikala Muralidharan is also a General Manager and Director in General Insurance Corporation of India (GIC-Re). She brings with her 34 years of rich experience in the insurance industry. She began her career in the insurance industry in The New India Assurance Co. Ltd. in December 1983. On her elevation as DGM in August 2010, Smt. Sashikala Muralidharan had the privilege of serving United India Insurance Co. Ltd. at the Corporate office. Smt. Sashikala Muralidharan was elevated and posted in National Insurance Co. Ltd. in May 2014.

She also had the privilege in serving the Insurance Information Bureau of India, an organisation promoted by IRDA, on various committees from time to time.

The appointment of Smt. Sashikala Muralidharan was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Smt. Sashikala Muralidharan as Non-Executive Director whose period of Office shall be liable to retire by rotation.

Smt. Sashikala Muralidharan has attended 4 meetings during the year out of Total 6 Board Meetings.

The other Directorships/ Committee memberships of Smt. Sashikala Muralidharan are as follows:

Name of the Company	Board Membership	Committee Membership
General Insurance Corporation of India	Whole time Director	<ul style="list-style-type: none"> <li>CSR Committee - Member</li> <li>Stakeholders Relationship Committee - Member</li> </ul>
IDBI Trusteeship Services Limited	Independent Director	--





Smt. Sashikala Muralidharan does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Smt. Sashikala Muralidharan, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the Resolution at Item No. 5 to be passed as an Ordinary Resolution.

**ITEM NO. 6: Appointment of Smt. Tajinder Mukherjee (DIN 08227563) as Non-Executive Director.**

Smt. Tajinder Mukherjee (DIN 08227563), aged 58 years, a Graduate in Commerce from Delhi University and also Fellow of the Insurance Institute of India was appointed as Additional Director (Non-Executive Director) of our Company on 26<sup>th</sup> November, 2018 upto the conclusion of 29<sup>th</sup> AGM. Smt. Tajinder Mukherjee is also Chairman and Managing Director (CMD) of National Insurance Company Ltd. w.e.f. 14<sup>th</sup> September 2018. Smt. Tajinder Mukherjee is a direct recruit Officer of the 1983 batch of United India Insurance Company Ltd. Smt. Tajinder Mukherjee served as General Manager of The New India Assurance Co. Ltd. since September 3<sup>rd</sup>, 2015 until September 14<sup>th</sup>, 2018 and served as its Deputy General Manager until September 3<sup>rd</sup>, 2015. Smt. Tajinder Mukherjee served as Chief Underwriting Officer of The New India Assurance Co. Ltd. since June 22<sup>nd</sup>, 2017 until September 14<sup>th</sup>, 2018. She has over 33 years of experience in the insurance industry.

The appointment of Smt. Tajinder Mukherjee was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Smt. Tajinder Mukherjee as Non-Executive Director whose period of Office shall be liable to retire by rotation.

Smt. Tajinder Mukherjee has attended 1 meeting during the year out of Total 1 Board Meeting.

The other Directorships/ Committee memberships of Smt. Tajinder Mukherjee are as follows:

Name of the Company	Board Membership	Committee Membership
National Insurance Company Limited	Chairman cum Managing Director	CSR Committee - Chairperson
Agriculture Insurance Company of India Limited	Additional Director	Audit Committee - Member
Health Insurance TPA of India Limited	Additional Director	-

Smt. Tajinder Mukherjee does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Smt. Tajinder Mukherjee, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the Resolution at Item No. 6 to be passed as an Ordinary Resolution.

**ITEM NO. 7: Appointment of Shri Girish Radhakrishnan (DIN 08268834), as Non-Executive Director.**

Shri Girish Radhakrishnan (DIN 08268834), aged 58 years, a Post Graduate was appointed as Additional Director (Non-Executive Director) of our Company on 26<sup>th</sup> November, 2018 upto the conclusion of 29<sup>th</sup> AGM. He is also the Chairman cum Managing Director (CMD) of United India Insurance Company Limited. He joined the insurance industry in 1983 in New India Assurance Co. Ltd. as a Direct Recruit Officer and has worked in various capacities in the Insurance Industry pan India and abroad. He has worked in retail as both underwriter and claims handler in various operating Offices and as head of Branches and Divisional Offices. He has also worked at technical desks, heading New India's Aviation business (where he led a successful diversification of the business to include a substantial international inward book) and later, Large Property Risks (Techno-Marketing Dept.) from 2012. He was the Company's Chief Risk Officer for a period of 2 years until mid-2014. He has also been Chief Executive of New India's largest and oldest foreign operation at the United Kingdom and has overseen its alignment with the new Solvency II regulatory regime there in 2016.

The appointment of Shri Girish Radhakrishnan was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act



2013 proposing the candidature of Shri Girish Radhakrishnan as Non-Executive Director whose period of Office shall be liable to retire by rotation.

Shri Girish Radhakrishnan has attended 1 meeting during the year out of Total 1 Board Meeting.

The other Directorships/ Committee memberships of Shri Girish Radhakrishnan are as follows:

Name of the Company	Board Membership	Committee Membership
United India Insurance Company Limited	Chairman cum Managing Director	CSR Committee - Chairman
Agriculture Insurance Company of India Limited	Non-Executive Director	--
Health Insurance TPA of India Limited	Non-Executive Director	--

Shri Girish Radhakrishnan does not hold any share in the Company.

None of the Directors are related inter-se. Save and except Shri Girish Radhakrishnan, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the resolution set forth at Item No.7 for the approval of the Members.

**ITEM NO. 8: Appointment of Shri Atul Sahai (DIN 07542308) as Non-Executive Director.**

Shri Atul Sahai (DIN 7542308), aged 57, a Post Graduate was appointed as Additional Director (Non-Executive Director) of our Company on 1<sup>st</sup> February, 2019 upto the conclusion of 29<sup>th</sup> AGM. Shri Atul Sahai is also Chairman cum Managing Director (CMD) of The New India Assurance Company Ltd.

Shri Atul Sahai is a Direct Recruit Officer of the 1984 batch and got his first joining at The New India Assurance Co. Ltd. where he has handled many Departments till October 2012 like Personnel, Claims, Accounts, Development & Management of Business, Technical (U/W & Claims), I.T. (Project Manager), Investment Operations, Recruitment, HR etc. He joined Oriental Insurance Company Ltd. in 2012 as DGM and elevated to the cadre of General Manager in August 2015. He took charge as CMD of the New India Assurance Co. Ltd. on 4<sup>th</sup> December, 2018. Shri Atul Sahai has been National Head for underwriting and claims for liability and miscellaneous Line of Business. He was instrumental in formulating policies in consultation with GIPSA for Personal lines Insurance Policies sold through the Banks named Pradhan Mantri Suraksha Bima Yojana.

The appointment of Shri Atul Sahai was recommended by Nomination and Remuneration Committee of the Company. The Company has received a notice in writing from a Member as per section 160 of Companies Act 2013 proposing the candidature of Shri Atul Sahai as Non-Executive Director whose period of Office shall be liable to retire by rotation.

Shri Atul Sahai has attended 1 meeting during the year out of Total 1 Board Meeting.

The other Directorships/ Committee memberships of Shri Atul Sahai are as follows:

Name of the Company	Board Membership	Committee Membership
The New India Assurance Company Limited	Chairman cum Managing Director	<ul style="list-style-type: none"> <li>• CSR Committee - Member</li> <li>• Stakeholders Relationship Committee - Member</li> <li>• Nomination and Remuneration Committee - Member</li> </ul>
Agriculture Insurance Company of India Limited	Non-Executive Director	<ul style="list-style-type: none"> <li>• Audit Committee - Member</li> </ul>
Health Insurance TPA of India Limited	Non-Executive Director	--



Shri Atul Sahai does not hold any share in the Company.

None of the Directors are related inter-se. Save and except, Shri Atul Sahai, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

The Board recommends the resolution set forth at Item No.8 for the approval of the Members.

**Item No. 9 & 10: Increase in the Borrowing Powers of the Company and Creation of Charge on Movable and Immovable Properties.**

Vide Special resolution dated 2<sup>nd</sup> August, 2018, passed by shareholders in the Annual General Meeting, the Members of the Company had accorded their consent to the Board of Directors to borrow any sum or sums of monies for the purposes of the Company not exceeding ₹15,000 crores (Rupees Fifteen Thousand Crores Only) (apart from temporary loans obtained/ to be obtained from the Company's bankers in the ordinary course of business) in terms of Section 180(1)(c) of the Companies Act, 2013. Taking into account the business plans of the Company, the Board of Directors may need to resort to further borrowings from time to time and hence it is proposed to revise the said limit upwards to **₹17,000 Crores (Rupees Seventeen Thousand Crores Only)**. A fresh resolution is proposed authorising the Board of Directors to borrow any sum or sums of monies for the purposes of the company not exceeding **₹17,000 Crores (Rupees Seventeen Thousand Crores Only)** (apart from temporary loans obtained/ to be obtained from the Company's bankers in the ordinary course of business) under Section 180(1)(c) of the Companies Act, 2013.

These borrowings may also have to be secured by creation of mortgages, charges, liens, hypothecation and/ or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, in favour of banks/ financial institutions/ debenture trustees/ fixed deposits trustees/ other lenders. Since the amount secured by such mortgages, charges, liens, hypothecation and/ or other securities together with the existing mortgages, charges, liens, hypothecation and/ or other securities may exceed the limit of ₹15,000 crores (Rupees Fifteen Thousand Crores Only), Members' approval is sought for increasing the limit upto **₹ 17,000 crore (Rupees Seventeen Thousand Crores Only)** and for authorising the Board of Directors to create security by way of mortgages, charges, liens, hypothecation and/or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, on such terms and conditions as it may deem fit. For this purpose, the requisite Special Resolution is being proposed for consideration of the Members under Section 180(1)(a) of the Companies Act, 2013.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the resolution set forth at Item No. 9 & 10 for the approval of the Members.

**Item No. 11 : Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds.**

As per Section 42 of the Companies Act, 2013 read with Rules framed there under, a Company offering or making an Invitation to subscribe to Redeemable Non-Convertible Debentures (NCDs) / Bonds on a Private Placement basis, is required to take approval of Members by way of Special Resolution once in a year for all the offers or invitations for such Redeemable Non-Convertible Debentures/Bonds during the year.

Accordingly, seeing the long term borrowing requirement of the Company and to augment resources at a cheaper rate of interest, approval is sought to mobilize some more funds by way of issue of Redeemable NCDs/Bonds on private placement basis. Recently SEBI has also issued one circular dated November 26, 2018 that listed Companies considered as Large Corporate (LC) shall raise not less than 25% of its incremental borrowings, during the financial year subsequent to the financial year in which it is identified as a LC, by way of issuance of debt securities. Hence, our Company is required to comply with the said SEBI Circular also.

Hence, considering the above requirements, we are seeking approval for issue of Redeemable Non-Convertible Debentures (NCDs) / bonds on a Private Placement basis, for amount upto ₹1500 crores which is within the overall limits of the Company as approved by Members from time to time.

Accordingly, the approval of Members is being sought by way of Special Resolution in compliance with the applicable provisions of the Act, read with Rules made there under, at the manner as set out in Item No. 11 of this Notice.



None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the resolution set forth at Item No. 11 for the approval of the Members.

**ITEM NO. 12: Related Party Transactions upto an aggregate limit of ₹ 2,000 crores only.**

Pursuant to provisions of the Companies Act, 2013 and in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the transactions in the nature of raising of funds through NCDs/ Bonds, taking property on lease/rent, availing of services in the ordinary course of business or any other kind of transactions entered into by the Company up to an aggregate limit of ₹ 2000 Crores (**Rupees Two Thousand Crores Only**) which though in the ordinary course of business may be construed to be related party transactions with the conflict of interest, it is therefore proposed to Shareholders to approve as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the resolution set forth at Item No. 12 for the approval of the Members.

**ITEM NO. 13: Alteration in Objects Clause of the Memorandum of Association.**

In order to make the main object clause of the Memorandum of Association comprehensive and concise and to include activities permitted to be undertaken by a Housing Finance Company from time to time, it is proposed to modify the main object clause of the Memorandum of Association of the Company. The Board at its meeting held on 26<sup>th</sup> July, 2019 has approved alteration of the MOA of the Company and the Board now seek Members' approval for the same.

Additionally, The Companies Act, 2013, has prescribed a new format of Memorandum of Association ("MOA") for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging appropriate and relevant Objects under Clause III (C) - 'Other Objects' with Clause III (B) - 'Objects Incidental or Ancillary to the attainment of the Main Objects' and also to rename the Clause III (A) and III (B) of the Object Cause as Clause III (a) and III (b) respectively.

The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

A copy of the proposed MOA of the Company would be available on Company website [www.gichfindia.com](http://www.gichfindia.com) and same would also be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM.

None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the resolution set forth at Item No. 13 for the approval of the Members.

**ITEM NO. 14: Alteration in Liability Clause of the Memorandum of Association.**

The existing Clause IV of the Memorandum of Association (MOA) of the Company is in line with the provisions of the old Companies Act, 1956 and reads as:

"IV. The liability of the members is limited."

However, as per new provisions of section 4(1)(d)(i) and Table-A of Schedule-I of the Companies Act, 2013, the liability clause reads as :

"IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."

Hence, it is proposed to modify the Liability Clause as per the provisions of new Companies Act, 2013 as cited above.



None of the Directors, Key Managerial Personnel of the Company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the resolution set forth at Item No. 14 for the approval of the Members.

**ITEM NO. 15: Approval for Adoption of new set of Articles of Association of the Company.**

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same, the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act. Several clauses / regulations in the existing Articles contain references to specific sections of the Companies Act, 1956 which are no longer in force. Accordingly, the existing regulations of the Articles of Association are being replaced by the new set of regulations and be adopted as new set of Articles of Association as per the requirements of Table F of First Schedule in the Companies Act, 2013.

A copy of the proposed AOA of the Company would be available on Company website [www.gichfindia.com](http://www.gichfindia.com) and same would also be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in the said resolution.

The Board recommends the resolution set forth at Item No. 15 for the approval of the Members.

Place: Mumbai

Date: 26.07.2019

**Registered Office:**

National Insurance Building,  
6<sup>th</sup> Floor, 14, Jamshedji Tata Road,  
Churchgate,  
Mumbai-400020

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

**Sd/-**

**S. Sridharan**

**Sr. Vice President & Company Secretary**





## DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 29<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

### FINANCIAL RESULTS

(₹ in Lacs)

PARTICULARS	March 31, 2019	March 31, 2018
Total Income	1,22,766	1,11,186
Less: Interest expenditure	86,528	71,276
Overheads	11,460	12,417
Depreciation & amortization	72	64
Profit Before Tax	24,706	27,429
Provision for Tax	7,840	9,450
Deferred Tax Assets	(315)	(2,585)
Profit After Tax	17,181	20,564
Other Comprehensive Income	(45)	55
Total Comprehensive Income	17,136	20,619
Profit brought forward	5,753	3,244
Profit available for appropriation	22,889	23,863

### IMPORTANT FINANCIAL RATIOS

PARTICULARS	March 31, 2019	March 31, 2018
Return on Net Worth (%)	15.16	20.55
Return on Total Assets (%)	1.32	1.84
Book Value per share (₹)	210.49	185.85
Earnings per share (₹)	31.90	38.19
Debt Equity Ratio (times)	10.29	9.98
Average cost of funds (%)	8.00	7.82
Average yield on advances (%)	10.35	11.12
Net Interest Margin	1.25	1.59

### DIVIDEND

Your Directors recommend payment of dividend for the year ended 31<sup>st</sup> March, 2019 of ₹ 5.50/- per equity share of ₹10/- each. The total dividend outgo for the current year would amount to ₹ 35.71 crores including dividend distribution tax of ₹ 6.09 Crores, as against ₹ 35.71 Crores including dividend distribution tax of ₹ 6.09 Crores in the previous year.

The dividend payout ratio for the current year, inclusive of additional tax on dividend will be 23.42% as against 16.47% of previous year. As per Companies (Accounting Standards) Amendments Rules, 2016, Dividend & Tax thereon will be recognized as liability on approval of shareholders at the ensuing Annual General Meeting (AGM).

### OPERATIONS - PERFORMANCE

#### Income, Profit, Loan Approvals and Disbursements:

Total income for the year under review is ₹1227.66 crores as against ₹ 1111.86 crores for the year 2017-18. Profit before tax for the year ended is ₹ 247.06 crores and Profit after tax for the year ended is ₹ 171.81 crores as against ₹ 274.29 crores and ₹ 205.64 crores respectively for the previous year



The Company's main thrust continues to be on Individual Loans. New loans approved during the year amounted to ₹ 3641 crores and loans disbursed during the year are ₹ 3502 crores as against ₹ 3869 crores and ₹ 3621 crores for the year ended 31<sup>st</sup> March, 2018 respectively. The Retail Loan portfolio as at 31<sup>st</sup> March, 2019 stood at ₹ 12747 crores as compared to ₹ 10934 crores as on 31<sup>st</sup> March, 2018 as per IND-AS.

During the year under review, your Company has made provision to the extent of ₹ 33 crores as against ₹ 61.32 crores provided for in the year 2018-19

## RESOURCE MOBILISATION

Your Company takes every effort to tap the appropriate source of funding to minimize the weighted average cost of funds. Your Company has mobilized resources through the following sources:

### A. Term Loans from Banks and Insurance Companies:

Your Company has borrowed fresh long term loans of ₹ 3218 crores from banks during the year as compared to ₹ 2167 crores during the previous year. The aggregate of term loans outstanding at the end of the financial year stood at ₹ 8060 crores as against ₹ 6171 crores as at the end of the previous year.

### B. Refinance from National Housing Bank (NHB):

With the continued support of National Housing Bank (NHB), your Company availed refinance amounting to ₹ 519 crores during the year under review as against ₹ 631 crores in the previous year. The refinance facility outstanding as on 31<sup>st</sup> March, 2019 is ₹ 2358 crores as against ₹ 2875 crores as at the end of the previous year.

### C. Short term Loan and Commercial Paper:

During the year 2018-19, your Company has raised resources by issuing Commercial Paper and also resorted to short term borrowings from the banks and the outstanding amount as on 31<sup>st</sup> March, 2019 is ₹ 1241 crores.

### D. Non-Convertible Debentures:

Your Company has not issued any Non-Convertible Debentures (NCD) on private placement basis during the year as on 31<sup>st</sup> March 2019.

## CREDIT RATING

Your Company had received rating from CRISIL and ICRA for its various borrowing programmes as follows:

### CRISIL Rating:

- For Commercial Paper programmes of ₹ 1500 crores as [CRISIL] "A1+" (Pronounced as CRISIL A1 plus).
- For Fund Based Long Term Loan Programme of ₹100 crores as [CRISIL] AA+(Stable) (Pronounced as CRISIL double A plus/Stable).
- For Non-Convertible Debentures Borrowing Programme of ₹550 crores [CRISIL] "AA+(Stable)" (Pronounced as CRISIL double A Plus/Stable).

### ICRA Rating:

- For Commercial Paper(₹ 1500 crores )/ short term loan (₹ 500 crores) programmes of ₹ 2000 crores as [ICRA] "A1+" (Pronounced as ICRA A1 plus). This rating is the highest credit quality rating assigned by ICRA for Short Term Debt Instruments.
- As per the Basel-II requirements - For Fund Based Long Term Loan Programme of ₹ 12500 crores as [ICRA] AA+(Stable) (Pronounced as ICRA double A plus/stable).
- For Non-Convertible Debentures Borrowing Programme of ₹ 550 crores [ICRA] "AA+" (STABLE) (Pronounced as ICRA double A Plus/stable).

## BRANCH EXPANSION

During the year under review, your Company has opened its Branches at Thrissur (Kerala), Surat (Gujarat), Suchitra (Hyderabad), Kengari (Karnataka) and Varanasi (Uttar Pradesh). The total number of Offices as on 31<sup>st</sup> March, 2019 is 75. Your Company is initiating brand building measures to generate general awareness and improve the image of the Company.

**INSURANCE COVERAGE TO BORROWERS**

Your Company had taken “Special Contingency Insurance” with The New India Assurance Company Ltd., which covers the borrowers of your Company as under:

- **Personal Accident Insurance:** Personal accident (death only) risk cover, free of cost to the borrowers up to an amount of outstanding loan at any particular point of time during the term/ tenure of the housing loan.
- **Mortgaged Property Insurance:** The property acquired out of loan, for and up to an extent of the outstanding loan amount, covered free of cost against fire, earthquake and allied perils affecting the mortgaged property.

Your Company has also tied up with ‘Kotak Mahindra Old Mutual Life Insurance Ltd.’, “Future Generali India Life Insurance Company Ltd.” and “Aditya Birla Sun Life Insurance Company Ltd.” for getting insurance cover on the life of the borrower to the extent of the “Outstanding Home Loan”. The said “Group Life Cover” is optional and the Company arranges this insurance on request from the borrower. These schemes ensure protection to the families of the borrower in case of un-expected eventualities like untimely death of borrower due to accident or natural death.

**CAPITAL ADEQUACY RATIO (CAR)**

The Company has been maintaining the Capital Adequacy Ratio (CAR) above the minimum required level prescribed by National Housing Bank (NHB) from time to time. The CAR prescribed for the present is 12%.

The Capital Adequacy Ratio of the Company as at 31<sup>st</sup> March, 2019 is 16.55% as against 16.17% as at 31<sup>st</sup> March, 2018.

**DEPOSITS**

Your Company has not accepted any fixed deposits and as such, no amount of Principal or interest was outstanding as of Balance sheet date.

**DEMATERIALIZATION OF SHARES AND NOMINATION FACILITY AND LISTING AT STOCK EXCHANGES**

As per the Securities & Exchange Board of India (“SEBI”) directives, the transactions of the Company’s shares must be compulsorily in dematerialised form. Your Company has signed an agreement with the Central Depository Services (India) Limited and National Securities Depository Limited for transaction of shares in dematerialised form. Shareholders holding shares in physical form are requested to convert their holdings into dematerialised form. Out of 5,38,51,066 equity shares, 5,34,89,704 equity shares are in dematerialised form, (5,34,17,582 shares as on 31<sup>st</sup> March, 2018) which is 99.32% (99.19% as on 31<sup>st</sup> March, 2018) of the total shares as on 31<sup>st</sup> March, 2019.

Shareholders holding shares in physical form may utilise the nomination facility available by sending the prescribed Form No.SH-13 duly filled, to our Registrar and Share Transfer Agent viz. M/s. Karvy Fintech Pvt. Ltd, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nankramguda, Hyderabad, Telangana-500032. Shareholders holding shares in dematerialised form has to send their “Nomination” request to the respective Depository Participants.

The equity shares of the Company continue to be listed on BSE Ltd., and The National Stock Exchange of India Ltd., The Annual Listing fees for the year 2018-19 were paid to these Stock Exchanges well in advance.

**UNCLAIMED DIVIDEND TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)**

In terms of the provisions of the Companies Act, 2013, the amount (dividends) that remained unclaimed and unpaid for more than 7 years from the date become first due for payment, shall be transferred to IEPF (Fund).

The Company has been intimating the shareholders to lodge their claim for payment due, if any, from time to time and such claims have been settled. In spite of constant and sincere efforts to pay the unclaimed dividend to the respective shareholders, certain amount still remains unclaimed. The Company has been intimating the shareholders to lodge their claim for dividend from time to time and such information is being mentioned in the Annual Reports every year.

Unclaimed dividend amounting to ₹ 17,69,598/- that has not been claimed by shareholders for the financial year 2010-11 has been transferred to Investor Education and Protection Fund (IEPF) during the month of October 2018.

The dividend pertaining to the financial year 2011-12 remaining unclaimed and unpaid amounting to ₹16,99,875 as on 31<sup>st</sup> March, 2019, would be transferred to IEPF during September, 2019 after settlement of claims received up to the date of completion of 7 years from the date of declaration of the dividend. Shareholders who have not claimed the said dividend may write to Registrar and Share Transfer Agent.

In terms of the provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, Company is required to transfer the shares in respect of which dividend remains unpaid and unclaimed for a period of seven consecutive years to the



Investor Education and Protection Fund (IEPF) Suspense Account. We have transferred total 15,795 no. of equity shares to IEPF during the year and as on 31<sup>st</sup> March, 2019, total no. of 1,22,197 shares stands in the name of IEPF Authority.

## **STATUTORY INFORMATION**

**Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure.**

Since the Company does not own any manufacturing facility, the particulars relating to conservation of energy and technology absorption as required to be furnished under Section 134(m) of Companies Act, 2013 are not applicable.

The Company did not earn any income in foreign currency during the year under review and also not incurred any expenses in foreign currency.

None of the employees of your company were in receipt of remuneration in excess of the limits as laid down under Section 134 of Companies Act, 2013 read with Companies (Particulars of Employees) Amendment Rules, 2011.

## **DIRECTORS RESPONSIBILITY STATEMENT**

The Board of Directors hereby confirms that:

- In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- We have selected such Accounting Policies and applied them consistently 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 as at the end of 31<sup>st</sup> March, 2019 and of the profit /Loss of the Company for the year ended on that date.
- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- We have prepared the annual accounts on a going concern basis.
- We have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **STATUTORY AUDITORS**

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, the present Statutory Auditors of the Company, M/s. CNK & ASSOCIATES LLP, Chartered Accountants, Mumbai will hold office until the conclusion of the ensuing 29<sup>th</sup> Annual General Meeting and will be completing 10 years tenure in our Company, hence will not seek re-appointment.

Accordingly, the Board of Directors at its meeting held on 24<sup>th</sup> May, 2019 after considering the recommendations of the Audit Committee, had recommended the appointment of M/s. M.P. Chitale & Company, Chartered Accountants, (Registration No. 101851W), as the Statutory Auditors of the Company for approval of the members. The proposed Auditors shall hold office for one term of 5 consecutive years from the conclusion of the 29<sup>th</sup> Annual General Meeting till the conclusion of 34<sup>th</sup> Annual General Meeting of the Company. Suitable resolution for re-appointment requiring approval of the shareholders forms part of the agenda of the Annual General Meeting.

## **SECRETARIAL AUDITOR**

The Board has appointed M/s. Makarand M. Joshi & Co., Practicing Company Secretaries as Secretarial Auditor of your Company for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2019 is annexed as **Annexure A** to this report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remark except the noting of show cause Notice from NHB.

## **DIRECTORS**

In accordance with the requirements of Companies Act, 2013 and Article 125 of the Articles of Associations of the Company, **Shri A. V. Girijakumar (DIN 02921377)**, Director is due to retire by rotation and, being eligible, offers himself for reappointment.



**Smt. Sashikala Muralidharan (DIN 08036523)**, Non-Executive Director who was appointed as Additional Director of the Company pursuant to Article 111 of Article of Association of the Company with effect from 28<sup>th</sup> June, 2018, and who holds office up to the forthcoming 29<sup>th</sup> Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment as a Non-Executive Director of the Company whose period of Office shall be liable to retire by rotation.

**Smt. Tajinder Mukherjee (DIN 08227563)** and **Shri Girish Radhakrishnan (DIN No. 08268834)** who were appointed as an Additional Directors of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 26<sup>th</sup> November, 2018 and who holds office up to the forthcoming 29<sup>th</sup> Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and are eligible for appointment as a Non-Executive Directors of the Company, whose period of Office shall be liable to retire by rotation.

**Shri Atul Sahai (DIN No 07542308)**, who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 1<sup>st</sup> February, 2019 and who holds office up to the forthcoming 29<sup>th</sup> Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment as a Non-Executive Director of the Company, liable to retire by rotation.

Company has received notices in writing from Members under Section 160 of the Companies Act 2013, proposing the candidature of Smt. Sashikala Muralidharan, Smt. Tajinder Mukherjee, Shri Girish Radhakrishnan and Shri Atul Sahai for the Office of Director of the Company.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of Companies Act, 2013. The Board of Directors recommends for the appointment of the above named Directors. We also place a Certificate (as **Annexure B**) from Shri Makrand M. Joshi, M/s Makarand M. Joshi & Co., Practicing Company Secretaries regarding Non-disqualification of Directors from being appointed for the office of Director in our Company.

Your Independent Directors meet all the criteria of Independence as provided in Section 149(6) of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

#### **STATEMENT FOR FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Our Company has prescribed required parameters to evaluate the performance of the Board and its Committees. It is always recognized that the Board comprises appropriately qualified and professional people with broad range of experience. While evaluating the performance of the individual Director, it is always seen the Knowledge to perform their role; time and level of participation; performance of duties and level of oversight; and professional conduct and independence etc.

The performance evaluation of the Directors was completed for the year. The performance evaluation of the Chairperson, Non Executive Directors and Independent Directors was carried out by the Board and Nomination and Remuneration Committee. The Board of Directors expressed their satisfaction with the evaluation process.

#### **MEETINGS OF THE BOARD**

Board met 7 ('Seven') times during the year. For further details, please refer report on Corporate Governance.

#### **RELATED PARTY POLICY AND TRANSACTIONS**

Your Company has framed Related Party Transaction Policy pursuant to Listing Regulations, 2015 which is available on the website of the Company [www.gichfindia.com](http://www.gichfindia.com). The same is annexed as **Annexure C** to the Directors' Report.

Your Company is having following related party transactions which are not material in nature but the same are entered at arm's length basis with the prior approval of Audit Committee:

- 1) Premises taken on Lease from Promoter Insurance Companies for our Registered and Corporate Office and Branch Offices.
- 2) Insurance Cover taken from Promoter Group Companies.
- 3) Raising of financial resources and any other service, if any.



During the year, Company has also given the following Housing Loan to the KMP which has been duly approved by Audit Committee:

Name	Loan Amount (₹)	Outstanding due as on 31 <sup>st</sup> March 2019 (₹)
Shri S. Sridharan, Sr. Vice President & Company Secretary	21,11,282/-	16,63,516/-

**Form AOC 2** as required under Companies Act 2013 for related party transaction is annexed as **Annexure D** to the Directors' Report which is having NIL Report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY U/S 135 OF COMPANIES ACT 2013.**

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has established Corporate Social Responsibility Committee and statutory disclosures with respect to the CSR Committee and a report on CSR expenditure is annexed as **Annexure E** to this report.

#### **VIGILANCE MECHANISM**

As a conscious and vigilant organization, your Company has established proper vigilance mechanism for its Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company has framed Whistle Blower Policy and the same is uploaded at the website of the Company ([www.gichfindia.com](http://www.gichfindia.com)).

#### **NOMINATION AND REMUNERATION POLICY**

The Board of Directors has framed a policy which lays down a framework for selection and remuneration of Directors, Key Managerial Personal (KMP) and Senior Management of the Company. The Nomination and Remuneration policy is available on the website ([www.gichfindia.com](http://www.gichfindia.com)) of the Company and also enclosed as **Annexure F**.

#### **CORPORATE GOVERNANCE**

The Auditors Certificate on Corporate Governance issued by the Secretarial Auditor of the Company for the year under review, as required under Companies Act, 2013 and in pursuance of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 is annexed to the Report of the Directors on Corporate Governance.

Your Company has been complying with the principles of good Corporate Governance over the years. The Board of Directors supports the broad principles of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 entered into with the Stock Exchange(s), the Management Discussion and Analysis Report forms part of this report.

#### **HUMAN RESOURCES & INDUSTRIAL RELATIONS.**

The work force strength of Your Company as on 31<sup>st</sup> March, 2019 is 287.

#### **EXTRACT OF ANNUAL RETURN AS PER SECTION 92**

Annual Return in Form MGT 9 is enclosed as per **Annexure G** to the Directors' Report and copy of the said Annual Return is available on the website of the company [www.gichfindia.com](http://www.gichfindia.com).

**DISCLSOURE UNDER THE SEXUAL HARASSMENT OF WOMEN**

Your Company is committed to provide and promote safe and healthy environment to all its employees without any discrimination. During the year under review, there was no case filed pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of Complaints filed during the financial year 2018-19	Nil
Number of Complaints disposed off during the financial year 2018-19	Nil
Number of Complaints pending as on end of the financial year 2018-19	Nil

**ACKNOWLEDGEMENTS**

The Directors thank the valued customers, shareholders for their goodwill, patronage and support.

The Directors acknowledge with gratitude the valuable and timely advice, guidance and support received from the Promoter(s) namely General Insurance Corporation of India (GIC Re), The New India Assurance Company Ltd., National Insurance Company Ltd., The Oriental Insurance Company Ltd. and United India Insurance Company Limited.

The Directors also thank the National Housing Bank for their support and continued refinance assistance, Banks for their continued support through term loans. The Directors also thank the Security Exchange Board of India (SEBI); Stock Exchanges; Depositories; Ministry of Corporate Affairs; Credit Rating Agencies; Government(s) local/ statutory authorities; Registrar and Share Transfer Agent and the Auditors of the Company for their continued support.

The Directors place on record their deep appreciation of the valuable contribution of the members of the staff at all levels for the progress of the Company during the year and look forward to their continued cooperation in realization of the corporate goals in the years ahead.

Place : Mumbai

Date : 24.05.2019

**Registered Office:**

National Insurance Building,  
6<sup>th</sup> Floor, 14, Jamshedji Tata Road,  
Churchgate,  
Mumbai-400020

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

Sd/-

**Neera Saxena**  
Managing Director & CEO



FORM NO. MR.3

## SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31<sup>st</sup> March, 2019

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

To,  
The Members,  
**GIC Housing Finance Limited**  
National Insurance Building, 6<sup>th</sup> Floor,  
14, Jamshedji Tata Road, Churchgate,  
Mumbai - 400020.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GIC Housing Finance Limited** (hereinafter called the “**Company**”). 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’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 (hereinafter called the ‘**Audit Period**’) 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 financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (**the Act**) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**‘SCRA’**) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**).
- (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 Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 notified on 11<sup>th</sup> September, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the Audit Period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the audit period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the audit period**); and





- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the audit period**);
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after 'LODR').

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Listing Agreement entered with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**, having regard to the Compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with following specific laws to the extent applicable

1. National Housing Bank Directions, 2010
2. The National Housing Bank Act, 1987
3. Master Circulars to Housing finance Companies.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period,

1. The Company has increased the Borrowing limit u/s 180 (1)(c) of the Companies Act, 2013 to ₹ 15,000 Crores in the meeting of the members of the Company held on 2<sup>nd</sup> August, 2018.
2. The Company has obtained approval of Members through Postal Ballot on 25<sup>th</sup> October, 2018 for appointment of Smt. Neera Saxena as Managing Director and Chief Executive Officer of the Company by way of Ordinary Resolution.

**We further report that**, the company had received show cause notice from National Housing Bank (NHB) in connection with the inspection carried out for Financial Year 2016-17. NHB had directed the Company to classify 683 loan accounts (Outstanding Balance ₹ 8,685 Lakhs as on 31<sup>st</sup> March 2017) as Non-Performing Assets and to make provision as per Housing Finance Companies (NHB) Directions, 2010. Pursuant to which, the Company had made a provision of ₹ 3.24 cr. (net of release of ₹ 18.93 Cr.) on such class of loan portfolio identified as on December 31, 2018. Further, NHB has directed the company to pay a penalty of ₹ 34.15 Lakhs which has been paid by the company.

For **Makarand M Joshi & Co**  
Practicing Company Secretaries

Sd/-  
**Makarand Joshi**  
Partner  
FCS No. 5533  
CP No. 3662



To,  
The Members,  
**GIC Housing Finance Limited**  
National Insurance Building, 6<sup>th</sup> Floor,  
14, Jamshedji Tata Road, Churchgate,  
Mumbai - 400020.

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 these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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.
4. Where ever 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 management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Makarand M Joshi & Co**  
Practicing Company Secretaries

Sd/-  
**Makarand Joshi**  
Partner  
FCS No. 5533  
CP No. 3662

Place : Mumbai  
Date : 24.05.2019



To,  
The Members,  
**GIC Housing Finance Limited**  
National Insurance Building, 6<sup>th</sup> Floor,  
14, Jamshedji Tata Road, Churchgate,  
Mumbai - 400020.

Based on our verification of the declarations provided to GIC Housing Finance Limited (hereinafter referred to as 'the Company') by the Directors (as enlisted in Table A) and the documents and details available on the website of the Ministry of Corporate Affairs, BSE Limited, National Stock Exchange India Limited and publicly available details of cases/litigations filed against any individuals as on May 14, 2019, we hereby certify that in our opinion, the Directors of the Company (as enlisted in Table A) are neither debarred nor disqualified from being appointed or continuing as directors of the Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority.

**Table A**

Sr. No.	Name of the Directors	Director Identification Number
1.	Mrs. Alice Geevarghese Vaidyan	07394437
2.	Mrs. Neera Saxena	08189646
3.	Mr. Angara Venkata Girijakumar	02921377
4.	Mr. Girish Radhakrishnan	08268834
5.	Mrs. Tajinder Mukherjee	08227563
6.	Mr. Atul Sahai	07542308
7.	Mrs. Sashikala Muralidharan	08036523
8.	Mr. Ramasamy Venkataraman	00490988
9.	Mr. Kamlesh Shivji Vikamsey	00059620
10.	Mrs. Mona Mukund Bhide	05203026
11.	Mr. Bimalendu Chakrabarti	00017513
12.	Mr. Mahender Kumar Garg	00081454
13.	Mr. Ailur Vedom Muralidharan	00015725
14.	Mr. NSR Chandra Prasad	01386757

For **Makarand M Joshi & Co**  
Practicing Company Secretaries

Sd/-  
**Makrand Joshi**  
Partner  
FCS No. 5533  
CP No. 3662

Place : Mumbai  
Date : 24.05.2019



## POLICY ON RELATED PARTY TRANSACTIONS

### SCOPE AND PURPOSE:

Related party transactions can present a potential or actual conflict of interest which may be against the best interest of the Company and its Shareholders. Considering the requirements for approval of related party transactions as prescribed under the Companies Act, 2013 ("Act") read with the Rules framed there under and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (previously Clause 49 of the Listing Agreement), GIC HOUSING FINANCE LIMITED ("GICHF" or "the Company") has formulated guidelines for identification of related parties and the proper conduct and documentation of all related party transactions.

Also as per Regulation 23, Listed Company is required to formulate a policy on materiality of related party transactions and dealing with related party transactions.

In light of the above, GICHF has framed this Policy on Related Party Transactions ("Policy"). This Policy has been adopted by the Board of Directors of the Company.

### OBJECTIVE OF THE POLICY:

The objective of this Policy is to set out (a) the materiality thresholds for related party transactions and; (b) the manner of dealing with the transactions between the Company and its related parties based on the Act, Listing Regulation 2015 and any other laws and regulations as may be applicable to the Company.

### PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTIONS:

The Company shall not enter into any contract or arrangement with a Related Party without the approval of the Audit Committee. Prior approval of the Audit Committee shall be obtained for all Related Party Transactions.

The Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval for Related Party Transactions that are repetitive in nature, subject to the following conditions:

- The name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into;
- The indicative base price / current contracted price and the formula for variation in the price, if any; and
- Such other conditions as the Audit Committee may deem fit.

The Audit Committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the Company.

The Audit Committee may grant omnibus approval for related party transactions repetitive in nature which shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

In the event any contract or arrangement with a related party is not in the ordinary course of business or at arm's length, the Company shall comply with the provisions of the Companies Act 2013 and the Rules framed there under and obtain approval of the Board and or its shareholders, as applicable, for such contract or arrangement.

All material related party transactions, other than those with Exempted Wholly Owned Subsidiaries will be placed for approval of the shareholders of the Company.

### MATERIALITY THRESHOLD:

A transaction with a related party is considered material if the transaction / transactions to be entered into, either individually or taken together with previous transactions with such related party during a financial year, exceeds ten percent of the annual consolidated turnover as per the last audited financial statements of the Company.

### DISCLOSURES

Company shall disclose, in the Board's report, transactions prescribed in Section 188(1) of the Act with related parties, which are not in ordinary course of business or arm's length basis along with the justification for entering into such transaction.



## **Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**1. Details of contracts or arrangements or transactions not : NONE**

**at arm's length basis**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions : NONE**

**at arm's length basis**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

Place : Mumbai

Date : 24.05.2019

**Registered Office:**

National Insurance Building,  
6<sup>th</sup> Floor, 14, Jamshedji Tata Road,  
Churchgate,  
Mumbai-400020

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

Sd/-

**Neera Saxena**  
**Managing Director & CEO**

## ANNUAL REPORT ON CSR ACTIVITIES

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

The objective of our CSR Policy is to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker sections of society and raise the country's human development index. The CSR Policy of the Company is available on the website of our Company [www.gichfindia.com](http://www.gichfindia.com)

2. Composition of the CSR Committee:

- a) Shri NSR Chandra Prasad, (Independent Director), Chairman
- b) Shri B. Chakrabarti, (Independent Director), Member
- c) Smt. Mona Bhide, (Independent Director), Member
- d) Smt. Neera Saxena, (Managing Director & CEO), Member

3. Average net Profit of the Company for the last three financial years (March 2016, 2017, 2018).

₹ 230.01 crores

4. Prescribed CSR Expenditure/Budget for F.Y. 2018-19 (two percent of the amount as in item 3).

₹ 4.60 crores

5. Details of CSR amount spent during the financial year 2018-19 from total CSR Budget.

- a) Total amount to be spent for the financial year(s) - ₹ 13.71 crores
- b) Amount spent during financial year : ₹ 6.01 crores
- c) Amount unspent, if any - ₹ 7.70 crores
- d) Manner in which the amount spent during the financial year is detailed below -

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or others (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: • Direct expenditure on projects or programs; • Overheads	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency
1	Contribution to NGO named DEED for Project Title - DEEDS House-keeping and Hospitality Trade Training in order to give professional training to Deaf youth free of cost in Hospitality and House-keeping Industry.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Mumbai, Maharashtra	₹ 12,00,000	Contributed towards Fixed Capital exps. and running expenses.	₹ 12,00,000	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or others (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: <ul style="list-style-type: none"> <li>Direct expenditure on projects or programs;</li> <li>Overheads</li> </ul>	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency
2	Contribution to Swami Vivekanand Medical Mission (NGO) for Solar Panel Installation for their Hospital	Under 'Environmental sustainability, ecological balance and conservation of natural resources',	Kerala	₹ 8,67,885	Direct expenditure on projects or programs.	₹ 4,33,500	Direct
3	Contribution to Pain nd Palliative Care Society at Thrissur	Distribution of free medicine to Cancer and renal patients.	Kerala	₹ 5,07,822	Direct expenditure on projects or programs.	₹ 3,26,424	Direct
4	Contribution to Swach Bharat Abhiyaan, Clean Ganga Fund and Prime Minister National Relief Fund	Govt. Approved CSR FundS.	Delhi	₹ 5,81,00,000	Direct expenditure on projects or programs.	₹ 5,81,00,000	Direct
	<b>TOTAL</b>			<b>₹ 6,06,75,707</b>		<b>₹ 6,00,59,924</b>	

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

Your Company has spent ₹ 6.01 crores in the last financial year. Other CSR Proposals are being evaluated and under consideration by the Company.

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

The implementation of CSR projects is in accordance with the CSR policy of the Company.

For GIC Housing Finance Ltd.

For GIC Housing Finance Ltd.

Sd/-

Neera Saxena

Managing Director & CEO

Sd/-

NSR Chandra Prasad

Committee Chairman



## NOMINATION AND REMUNERATION POLICY

### I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("referred as Listing Regulations, 2015"), the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Remuneration Committee comprising of four non-executive Independent Directors as required under Listing Regulations, 2015. In order to align with the provisions of the Companies Act, 2013 and the amended Listing Regulations, 2015, the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Listing Regulations, 2015.

### II. DEFINITIONS:

**"Board"** means Board of Directors of the Company.

**"Company"** means GIC HOUSING FINANCE LIMITED.

**"Policy or This Policy"** means, "Nomination and Remuneration Policy".

**"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961;

**"Independent Director"** means a Director referred to in Section 149 (6) of the Companies Act, 2013.

**"Key Managerial Personnel"** means Managing Director or Chief Executive Officer or Manager and in their absence, a Whole -time Director; Chief Financial Officer; Company Secretary; and such other Officer as may be prescribed.

**"Senior Managerial Personnel"** mean the personnel of the Company who are members of its core management team (Sr. Vice President and Vice President) excluding Board of Directors.

### III. OBJECTIVE:

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- To evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.



**IV. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years.

**BOARD DIVERSITY:**

Our Company recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The Board Corporate Governance & Nominations Committee ('the Committee') reviews and assesses Board composition on behalf of the Board and recommends the appointment of new Directors. The Committee also oversees the conduct of the annual review of Board effectiveness. In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity including, but not limited to, those described above, in order to enable it to discharge its duties and responsibilities effectively.

**Term / Tenure:****1. Managing Director/Whole-time Director/Manager (Managerial Person):**

The Company shall appoint or re-appoint any person as its Managerial person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**2. Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1<sup>st</sup> October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he /she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed Company.

**REMOVAL:**

The Committee may recommend with reasons recorded in writing, removal of a Director or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

**V. EVALUATION:**

The Committee shall carry out evaluation of performance of Directors yearly or at such intervals as may be considered necessary.

**VI. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT:**

In our Company, Managerial Persons are appointed from one of our Promoter Insurance Companies on deputation basis and their remuneration is also as per the pay structure of the concerned Promoter Insurance Companies.

The remuneration of KMP and Senior Management is also approved by the Board of the Directors of the Company and the same is revised every five years with the Board's approval.

**VII. SITTING FEE TO INDEPENDENT DIRECTORS:**

Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**VIII. MINUTES OF COMMITTEE MEETING:**

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Committee meeting.



## Form No. MGT-9

## EXTRACT OF ANNUAL RETURN AS ON 31\_03\_2019

[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:

CIN	L65922MH1989PLC054583
Registration Date	12/12/1989
Name of the Company	GIC Housing Finance Limited
Category / Sub-Category of the Company	Company Limited By Shares/Non Government Company
Address of the Registered office and contact details	National Insurance Building, 6 <sup>th</sup> Floor, 14, J Tata Road, Churchgate, Mumbai-400020 Tel. No. 022-2285 1765 (5 lines)
Whether listed company	YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	KARVY FINTECH PVT. LTD. Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 P : +91 040 67161560

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the Company
1	HOUSING FINANCE	65922	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - Not Applicable

## 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 01_04_2018				No. of Shares held at the end of the year 31_03_2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt/ State Govt(s)	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	22701128	0	22701128	42.16	22836839	0	22836839	42.41	-0.25
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1)</b>	<b>22701128</b>	<b>0</b>	<b>22701128</b>	<b>42.16</b>	<b>22836839</b>	<b>0</b>	<b>22836839</b>	<b>42.41</b>	<b>-0.25</b>
(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



Category of Shareholders	No. of Shares held at the beginning of the year 01_04_2018				No. of Shares held at the end of the year 31_03_2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Bodies Corp.	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
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>22701128</b>	<b>0</b>	<b>22701128</b>	<b>42.16</b>	<b>22836839</b>	<b>0</b>	<b>22836839</b>	<b>42.41</b>	<b>-0.25</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	3430810	100	3430910	6.37	662019	0	662019	1.23	5.14
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Foreign Portfolio Investors	1617197	0	1617197	3.00	4076521	0	4076521	7.57	-4.57
d) Banks / FI	61929	200	62129	0.12	68290	200	68490	0.13	-0.01
e) Insurance Companies	3050250	0	3050250	5.66	3050250	0	3050250	5.66	0
e) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)</b>	<b>8160186</b>	<b>300</b>	<b>8160486</b>	<b>15.15</b>	<b>7857080</b>	<b>200</b>	<b>7857280</b>	<b>14.59</b>	<b>0.56</b>
<b>2. Non Institutions</b>									
<b>a) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto ₹ 2 lakh	12066214	430382	12496596	23.21	12338411	358660	12697071	23.58	-0.37
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	4668686	0	4668686	8.67	4793485	0	4793485	8.90	-0.23
<b>b) Others (specify)</b>									
NBFCs Registered with RBI	21732	0	21732	0.04	2479	0	2479	0	0.00
Trust	36253	0	36253	0.07	44875	0	44875	0.08	-0.02
Bodies Corporate	4772621	2802	4775423	8.87	4521765	1902	4523667	8.40	0.47
Clearing Members	197763	0	197763	0.37	192613	0	192613	0.36	0.01
Non Resident (Non Rep)	173480	0	173480	0.32	215312	0	215312	0.40	-0.08
Non Resident	512917	0	512917	0.95	565048	0	565048	1.05	-0.10
Foreign Nationals	200	0	200	0.00	200	0	200	0.00	0.00
IEPF	106402	0	106402	0.20	122197	0	122197	0.23	-0.03
<b>Sub-total (B)(2)</b>	<b>22556268</b>	<b>433184</b>	<b>22989452</b>	<b>42.69</b>	<b>22796385</b>	<b>360562</b>	<b>23156947</b>	<b>43.00</b>	<b>-0.31</b>
<b>Total Public Shareholding B)=(B)(1)+(B)(2)</b>	<b>30716454</b>	<b>433484</b>	<b>31149938</b>	<b>57.84</b>	<b>30653465</b>	<b>360762</b>	<b>31014227</b>	<b>57.59</b>	<b>0.25</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>53417582</b>	<b>433484</b>	<b>53851066</b>	<b>100</b>	<b>53490304</b>	<b>360762</b>	<b>53851066</b>	<b>100</b>	<b>0.0</b>

**ii) Shareholding of Promoters:**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year _ 01_04_2018			Shareholding at the end of the year _ 31_03_2019			
		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	% change in share holding during the year
1	General Insurance Corporation Of India	8218802	15.26	0	8218802	15.26	0	0
2	The New India Assurance Company Ltd.	4594204	8.53	0	4656913	8.65	0	-0.12
3	United India Insurance Company Ltd.	3956000	7.35	0	3956000	7.35	0	0
4	The Oriental Insurance Company Ltd.	2975024	5.52	0	2975024	5.52	0	0
5	National Insurance Company Ltd.	2957098	5.49	0	3030100	5.63	0	-0.14

**iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year 01_04_2018		Cumulative Shareholding during the year 31_03_2019	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	The New India Assurance Company Ltd.	4594204	8.53	4656913	8.65
2	National Insurance Company Ltd.	2957098	5.49	3030100	5.63

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

Sr. No.	Shareholding at the beginning of the year _ 01_04_2018			Cumulative Shareholding during the year_31_03_2019	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Life Insurance Corporation Of India	3712250	6.89	3712250	6.89
2	Reliance Capital Trustee Co. Ltd-A/C Reliancesmall	2628990	4.88	0	0
3	Fidelity Funds - Asian Smaller Companies Pool	0	0	2105371	3.91
4	Tata Investment Corporation Limited	1900000	3.53	1900000	3.53
5	Fidelity Asian Values Plc	0	0.00	8852282	1.64
6	Cd Equifinance Private Limited	626120	1.16	490871	0.91
7	Cohesion India Best Ideas (Master) Fund Limited	605784	1.12	0	0
8	Sonal D Shah	500010	0.93	500010	0.93
9	Preeti N Shah	500000	0.93	500000	0.93
10	Urmila D Shah	500000	0.93	500000	0.93

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

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year _ 01_04_2018		Cumulative Shareholding during the year _31_03_2019	
		No. of shares	% of total shares of the company	during the year_ 31_03_2018	% of total shares of the company
1	At the beginning of the year	0	0	0	0
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	0	0	0	0
3	At the End of the year	0	0	0	0

**V. INDEBTEDNESS:**
**Indebtedness of the Company including interest Outstanding/accrued but not due for payment:**

	Secured Loans excluding Deposits (₹)	Unsecured Loans (₹)	Deposits	Total Indebtedness (₹)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	90,912,090,041	8,928,607,168	-	99,840,697,209
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	36,472,192	-	-	36,472,192
<b>Total (i+ii+iii)</b>	<b>90,948,562,233</b>	<b>8,928,607,168</b>	<b>-</b>	<b>99,877,169,401</b>
<b>Change in Indebtedness during the financial year.</b>				
• Addition	37,372,908,753	77,750,000,000	-	115,122,908,753
• Reduction	24,142,491,027	74,271,000,388	-	98,413,491,415
<b>Net Change Indebtedness at the end of the financial year</b>	<b>13,230,417,726</b>	<b>3,478,999,612</b>	<b>-</b>	<b>16,709,417,338</b>
i) Principal Amount	104,178,979,959	12,407,606,780	-	116,586,586,739
ii) Interest due but not paid	-	-	-	-
ii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>104,178,979,959</b>	<b>12,407,606,780</b>	<b>-</b>	<b>116,586,586,739</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director & CEO:**

Sl. no.	Particulars of Remuneration	Shri S. Gopakumar (Managing Director & CEO) (from 01.04.2018 to 02.08.2018)	Smt. Neera Saxena (Managing Director & CEO) (from 03.08.2018 to 31.03.2019)
		Amount (₹)	Amount (₹)
1	Gross salary	8,29,823	18,74,153
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,96,823	17,87,772
	(b) Salary Arrear	0	0
	(c) Value of perquisites u/s 17(2) Income-tax Act, 1961	33,000	86,381
	(d) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others : • Performance Incentive • Leave Encashment and Other Allowances • L.T.S	4,75,000 89,175 3,01,500	Nil 93,363 2,01,000
6	Contribution to Pension and other funds	46,720	1,04,523
	<b>Total</b>	<b>17,75,218</b>	<b>23,59,420</b>
	<b>Total A</b>	<b>41,34,638</b>	
	<b>Ceiling as per Act</b>	<b>Maximum 5 % of net profit</b>	

**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors							Total Amount (₹)
		Shri V. Ramasamy	Shri Kamlesh S. Vikamsey	Smt Mona Bhide	Shri B. Chakra-barti	Shri A.V. Muralid-haran	Shri M. K. Garg	Shri NSR Chandra Prasad	
1	<b>Independent Directors</b>								
	• Fee for attending board & committee meetings	4,80,000	3,30,000	3,90,000	3,90,000	5,10,000	3,00,000	3,60,000	27,60,000
	• Commission	0	0	0	0	0	0	0	0
	• Others, please specify	0	0	0	0	0	0	0	0
	<b>Total (i)</b>	4,80,000	3,30,000	3,90,000	3,90,000	5,10,000	3,00,000	3,60,000	27,60,000
2	<b>Other Non-Executive Directors</b>								
	• Fee for attending board / committee meetings	0	0	0	0	0	0	0	0
	• Commission	0	0	0	0	0	0	0	0
	• Others, please specify	0	0	0	0	0	0	0	0
	<b>Total (ii)</b>	0	0	0	0	0	0	0	0

Sl. no.	Particulars of Remuneration	Name of Directors							Total Amount (₹)
		Shri V. Ramasamy	Shri Kamlesh S. Vikamsey	Smt Mona Bhide	Shri B. Chakra-barti	Shri A.V. Muralid-haran	Shri M. K. Garg	Shri NSR Chandra Prasad	
	<b>Total (B)=(i+ii)</b>	4,80,000	3,30,000	3,90,000	3,90,000	5,10,000	3,00,000	3,60,000	27,60,000
	<b>Total Managerial remuneration (A+B)</b>	<b>68,94,638</b>							
	<b>Overall Ceiling for sitting fee as per the act</b>	<b>₹ 1,00,000/- per Director for each meeting</b>							

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Shri S. Sridharan (Sr. Vice President & Company Secretary)
		Amount (₹)
1	Gross salary	31,02,047
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26,72,742
	(b) Salary Arrear	4,29,305
	(c) Value of perquisites u/s 17(2) Income-tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
	Commission - as % of profit - others, specify...	0
5	Others, please Specify	0
6	Contribution to Pension and other funds	2,36,164
	<b>Total</b>	<b>33,38,211</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/compounding fee imposed	Appeal made, if any (give details)
NA	NA	NA	NA	NA

For and on Behalf of the Board of Directors

For and on Behalf of the Board of Directors

Sd/-  
**S. SRIDHARAN**  
SR. VICE PRESIDENT & COMPANY SECRETARY

Sd/-  
**NEERA SAXENA**  
MANAGING DIRECTOR & CEO



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### • OVERVIEW OF THE GLOBAL AND DOMESTIC ECONOMY

The global economy started 2018 on an upbeat note, buoyed by a pickup in global manufacturing and trade through 2017. As investors' confidence in the global economic outlook lost steam, so did the upswing. One reason behind this loss in momentum is the implementation of tariffs by major economies—especially the United States—and retaliatory measures taken by others, including China. The increasingly protectionist rhetoric on trade has meant higher uncertainty about trade policy, which weighs on future investment decisions. Despite these actions, the US economy expanded at a fast pace in 2018, as tax cuts and spending increases stimulated demand. The US Federal Reserve has continued to raise the policy interest rate as a result. Interest rates on US long-term bonds have increased less, as investors see risks to future growth and value the safety of US Treasury securities. As growth and interest rates in the United States have outpaced those in other major economies, the US dollar has appreciated against most other currencies in 2018. Some vulnerable emerging market economies have come under strain as the US dollar gained value and the level of risk that global financial investors were prepared to accept dropped. Most of these countries have seen increases in their external borrowing costs, but the extent of these increases varied widely.

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups. India's labour force is expected to touch 160-170 million by 2020, based on rate of population growth, increased labour force participation, and higher education enrolment, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute. India's foreign exchange reserves were US\$ 405.64 billion in the week up to March 15, 2019, according to data from the RBI.

India has managed to become a better place to do business. In 2018, India secured the 77<sup>th</sup> rank among 190 nations in the World Bank's ease of doing business index. This was a leap of 23 spots from 2017. India's ranking on the index improved 65 places as the government made it easier for companies to start a business or trade across borders. Now India ranks in the top 25 countries in parameters including getting electricity, getting credit, and protecting minority investors.

Last year 2018 proved more of a challenge for investors, particularly in the last three months of the year. US Government's tax cuts had provided an added boost for investors heading into 2018, and US GDP growth accelerated to 4.2% on an annualised quarterly basis in Q2. However, economic growth elsewhere, notably in the eurozone, decelerated and global growth became less synchronised. Meanwhile the prospect of fading US policy support in 2019, together with escalation in the US-China trade conflict, reduced monetary stimulus and global growth concerns eventually took their toll on investor confidence.

Stock markets in particular have suffered in 2018. Stocks have been a major beneficiary of the low interest rate and loose monetary policy environment since the global financial crisis. Companies have been able to borrow money cheaply to strengthen their balance sheets while also benefiting from a pick-up in demand as the global economy recovered.

Low interest rates have also driven down the yield on other asset classes such as bonds, creating even greater demand for stocks which have a higher yield. For instance, UK government bonds yield around 1.3% compared with the FTSE All Share Index which yields around 4%.

Global stocks have fallen 7.1% in 2018, according to the MSCI World Index as at 18 December. Gains in the first nine months of the year were erased and then some in the final three months. Global stocks gained 6.1% in the first three quarters of 2018, but stocks fell more than 12.0% in the third-quarter of 2018.

Despite several challenges including the liquidity crisis in the domestic non-banking financial companies (NBFCs), global trade tensions and high international crude oil prices, the Indian equities market emerged as one of the best performers globally in 2018-19. The BSE Sensex rose nearly 17 per cent during in the financial year 2018-19, while the National Stock Exchange's Nifty50 increased 15 per cent. That marked the highest growth in any fiscal



year since FY2009-10 for both the indexes. On March 29, the last trading day of FY 2018-19, Sensex rose 127 points to close at 38,672.91 and the Nifty50 settled at 11,623.90, up 53.90 points from the previous close.

On a sectoral basis, the banking, energy and IT sectors outperformed with a growth of 25 per cent followed by FMCG at 16 per cent and pharma at 12 per cent. The laggards were led by media, auto and telecom sectors, which declined 24 per cent, 23 per cent and 22 per cent respectively.

Retail lending Market also continues to see robust growth in volume and transactions across all portfolios, geographies and age-groups as rising aspirations of Indian consumers continues to power India's consumption growth. Credit accounts saw 28% growth in origination to reach 107 million accounts and aggregate balance of all retail lending products saw 21% growth to reach ₹28.9 trillion, in the third quarter of 2018 compared to year ago quarter, according to latest industry report by credit information company CIBIL Trans Union. The increase was a result of a 28% year-over-year increase in total account volumes accompanied by 5% decline in average balance per account, the report found.

#### INDIAN ECONOMY FUTURE OUTLOOK:

Indian Economy is projected to grow at 7.3 per cent in 2019 and 7.5 per cent in 2020, supported by the continued recovery of investment and robust consumption, thus remaining the fastest growing major economy of the world, according to the IMF. In 2018, India's growth rate was 7.1 per cent, as against China's 6.6 per cent. In 2019, the International Monetary Fund (IMF) projected a growth rate of 6.3 per cent for China and 6.1 per cent in 2020, according to the latest World Economic Outlook projections released ahead of the annual spring meetings of the International Monetary Fund and the World Bank.

In India, growth is projected to pick up to 7.3 per cent in 2019 and 7.5 per cent in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

Nevertheless, reflecting the recent revision to the national account statistics that indicated somewhat softer underlying momentum, growth forecast have been revised downward compared with the October 2018 WEO by 0.1 percentage point for 2019 and 0.2 percentage point for 2020, respectively.

Moody's quarterly Global Macro Outlook also expected Indian economy to grow at 7.3 per cent in 2019 and 2020. On the banking sector, Moody's said, although the overall strength of the system is improving, it remains a constraint on the economy. However, a complete turnaround of the banking system requires more time amid slower-than-expected resolution of legacy problem loans. It also added that Fiscal spending on infrastructure and the rural economy should continue to support domestic activity.

The World Economic Outlook believes that in India, continued implementation of structural and financial sector reforms with efforts to reduce public debt remain essential to secure the economy's growth prospects. In the near term, continued fiscal consolidation is needed to bring down India's elevated public debt which should be supported by strengthening goods and services tax compliance and further reducing subsidies.

#### • REAL ESTATE INDUSTRY STRUCTURE & DEVELOPMENTS

Real estate and construction together, is the second largest employment provider in the country, next to agriculture. It employed over 40 million workforce in 2013, and as per projections is slated to employ over 67 million workforce by 2022. The sector is expected to generate about three million jobs annually. Nearly 90% of the workforce employed in the real estate and construction sector are engaged in construction of buildings. The remaining 10% workforce is involved in building completion, finishing, electrical, plumbing, other installation services, demolition and site preparation.

The share of real estate sector which includes ownership of dwellings accounted for 7.7% in India's overall Gross Value Added (GVA) in 2015-16. The growth of this sector decelerated in the last three years from 7.5% in 2013-14 to 4.4% in 2015-16. This was mainly due to growth of the ownership of dwelling segment decelerating from 7.1% in 2013-14 to 3.2% in 2015-16. As per the National Real Estate Development Council (NAREDCO), residential launches across top 14 cities in India during H1 2017 fell to the lowest in past five years to about 58,000 units. Similarly, new residential sales, fell to five years low of about 1,01,850 units during this period.



Despite the slowdown in residential launches, the strength of the Indian Economy and favourable demographics, coupled with introduction of several growth oriented reforms are aiding the real estate sector to attract higher investments. Private Equity investments in the real estate sector have increased from US\$0.9 billion in 2013 to over us\$5.9 billion in 2016 recording more than six fold jump during this period.

The Union Budget 2018-19 continued its push for the real estate sector by announcing following measures:

- (1) Establishment of a dedicated Affordable Housing Fund in National Housing \ Bank, financed from priority sector lending shortfall and fully serviced bonds authorized by the Government of India.
- (2) Allocation of ₹ 6,505 crore has been provided for PMAY(U) as against ₹ 6,043 crore in 2017-18, including allocations for CLSS. Additionally, Internal and Extra Budgetary Resources of ₹ 25,000 crore under PMAY(U) have been made available for 2018-19.
- (3) Allocation of ₹21,000 crore has been provided for PMAY(G) as against ₹23,000 crore in 2017-18. The total resource requirement is projected at ₹33,000 crore, comprising of ₹21,000 crore of Gross Budgetary Support and ₹2,000 crore of Extra Budgetary Resources.

The Government and market regulators have been taking necessary measures for development of monetizing vehicles like Infrastructure Investment Trust (Inv IT) and Real Estate Investment Trust (REITs) in India. SEBI in February, 2017 notified norms allowing mutual funds to make investments in such entities. This move is aimed at boosting investor's interest in such alternative investments.

The RBI has raised housing loan limit for eligibility under priority sector lending (PSL) from ₹ 28 lacs to ₹ 35 lacs metropolitan centres, and from ₹ 20 lakh to ₹ 25 lakh in other centres. The ceiling on cost of eligible dwelling units has also been revised from ₹3 lakh to ₹ 45 lakh in metropolitan areas and from ₹ 25 lakh to ₹ 30 lakh in other areas. The limits were revised in order to bring convergence between PSL guidelines for housing loans and the affordable housing scheme under the Pradhan Mantri Awas Yojana (PMAY).

India's economy is growing and with it, is growing the need to provide housing for the vast population of this country. Housing remains the top priority for every Indian regardless of their income levels, education or any other possible factor. Unlike before, when the demand in real-estate was driven by investors majorly, now it's the 'end users' who are re-shaping the demand in the housing sector. A steep rise in migration to cities/towns, rural-urbanization and nuclearisation of families are the top reasons for this increased demand.

Through reforms like PMAY, CLSS, RERA and granting infrastructure industry status to affordable housing, the government has certainly given the much-required momentum to housing, but there is still a shortage of 2 crore housing units and an expected requirement of almost 6 crore units by 2022 coming mainly from LIG/ MIG segment. In spite of these developments, real-estate is still struggling with some challenges like raising funds as investors are keen for commercial projects rather than residential projects due to the expectations of higher returns. Another major setback for the developers is that the end-users search for finished inventory as they don't want their investment to get stuck, resulting in the slow velocity of sales. Budget 2019 would play a pivotal role in the grand dream of 'Housing for all by 2022'. Some expected reforms like easing ECB norm on lenders vintage, introduction of REITs & AIFs to build a finance environment, introduction of government initiated housing bonds to provide low rate funds to housing finance companies (HFCs). Allocating separate industry status to HFCs in the bank exposure will ease liquidity scenario. Steps like extension of Sec. 80-IBA until FY22 to promote affordable projects, tax-sops on green housing projects, housing corridors development akin & adjacent to industrial corridors, increased allocation of funds for infra development push in Tier-3 and smart cities, increased allocation to Amrut-Saubhgya-Ujjwala Yojna etc will certainly ensure the right push in the supply side of real-estate.

The Union Budget 2019-20 has given some relief to the real estate industry which has been grappling with low demand. Industry experts believe that the budget will benefit the affordable housing segment.

The income tax exemption will save over ₹ 28,000 annually for a person with income of ₹ 6 lakh. With two earning members in the house, the annual savings are likely to increase by ₹ 56,000 annually. This will benefit the affordable housing sector where the loans are usually of around ₹ 10 lakh and EMI of nearly ₹ 10,000.



## • OPPORTUNITIES & THREATS IN REAL ESTATE INDUSTRY

The real estate market in India is currently in the midst of fairly challenging times. In the last few years, there have been a few noticeable macro shifts that have challenged the realty sector. The demonetization exercise in November 2016 put brakes on the growth of the real estate market as it made the rampant use of cash in real estate transactions (prevalent earlier) more difficult. Further, the Real Estate Regulation Act (RERA) that was passed by the Centre in 2016 and most states in 2017 put a lot of onus on builders which further halted new offerings in the residential space. In addition, the demand-supply gap has been an issue with most of the key real estate markets such as Mumbai, Bengaluru, and Gurugram facing a serious oversupply of properties. However, the big funding challenge came in 2018 after the IL&FS fiasco. The implosion of IL&FS raised serious questions about the asset-liability mismatch in the books of NBFCs, which have been the principal financiers for the real estate sector. It is in this context that the current real estate scenario in India needs to be understood.

Apart from demonetization and RERA, there are two other factors spooking the real estate sector. The first pertains to the implementation of GST (Goods and Services Tax) Act in July 2017. Prior to GST implementation, there was a service tax of 4.5% that was payable in case of under-construction property. Post GST, that rate has gone up sharply to 12% making it almost unattractive to buyers. While the benefit of the input tax credit (ITC) is available on this 12%, it practically does not amount to anything. Property buyers were already paying registration charges and stamp duty on properties. With the addition of 12% GST, the total statutory cost has gone up by 20% of the cost of property for the buyer.

The bigger problem is a fundamental shift in demand patterns. During the heydays of the property boom, many real estate companies invested heavily in developing middle range and premium properties. When the cycle turned, most of these properties could not find buyers. Shortage of working capital has led to many builders defaulting on their delivery commitments to customers. According to a study by Anarock Consultants, in the year 2017 alone, 74% of the builders had missed their stipulated completion deadlines. Above all, the big demand boost now is likely to come from low-cost housing and most of the realty companies do not have the ability, ecosystem, or the low-cost funding options to cater to this sector. Broadly, oversupply in the mid and premium segments may still take years to narrow. However, the big areas of growth in realty could come from low-cost housing, smart cities, and commercial realty. There are some positive developments in low-cost housing. Maharashtra has launched nearly 1,04,000 units with an investment of ₹15,576 cr, while Gujarat and the NCR region will put up another 70,000 units with a similar investment. Under the Smart Cities program, a total of 100 cities will see the program positively impacting the lives of nearly 9.95 cr dwellers with high-quality core infrastructure and a more sustainable quality of life. Demand for residential properties is expected to receive a major boost following the government's decision to cut the goods & services tax (GST) rates for under-construction projects to 5 per cent from effective rate of 12 per cent. In a major push to stated objective of 'Housing For All by 2022', the government has reduced GST to marginal 1 per cent for affordable housing while revising the definition of such homes.

## • SEGMENT REPORTING

The Company is exclusively engaged in the Housing Finance business and revenues are mainly derived from this activity. IND AS 108 regarding Segment-wise Reporting issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Amendments Rules, 2011 does not apply to your Company since revenues are derived from only one segment i.e. housing finance activity.

## • RISKS AND CONCERNS

Your Company is exposed to risks such as liquidity risk, interest rate risk, credit risk, increase in Non Performing Assets and operational risk which are inherent in the housing finance business e.g. take-overs of our existing accounts. Intense competition, increase in cost of borrowing and narrowing of spread, pose a big challenge for sustaining profitability on consistent basis. Prevailing inflationary trends will impact the affordability of vast number of end users.



- **RISK MANAGEMENT**

Liquidity risks and interest rate risks arising out of maturity mismatch of assets and liabilities are managed by your Company by constant monitoring of the maturity profiles with a periodical review of the position. Credit risks are minimized by having established credit appraisal system in place, prescribing exposure limits, periodic review of the portfolio. Our Company operates in the mid segment and large chunk of borrowers are in the salary group. Your Company is having CIBIL checks, field verification, stringent legal and technical due diligence etc. which have helped to reduce incremental delinquencies. Our recovery mechanism is also robust supported by best use of SARFAESI Act. Operational risks are minimized by strengthening the internal control procedures and addressing the deficiencies reported by the internal auditors.

- **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Company has internal control systems which is commensurate with the size of the operations. Internal audit checks are conducted regularly and internal auditor's recommendations are reviewed for improving systems and procedures. Your Company takes efforts from time to time to meet the changes in business conditions along with statutory and accounting requirements. The internal audit is carried out by independent firms of Chartered Accountants and covers the key areas of business. There is also in house internal audit department which supplements the outsourced internal audit activity. The Audit Committee & Statutory Auditors are periodically apprised of the internal audit findings and compliances and Audit Committee reviews the internal control system.

- **MARKETING**

The marketing of your Company's home loan products are done through direct sales, through Direct Selling Agents and tie up with builders. Marketing of home loan products with a focused attention on existing as well as the prospective customers is a constant endeavour at the Company with 75 Offices spread across the country.

- **HUMAN RESOURCES/ INDUSTRIAL RELATIONS**

The Company has a dedicated team of 287 Employees, who have been contributing to the progress and growth of the Company. The manpower requirement at Offices of the Company is assessed continuously and recruitment is conducted accordingly.

- **RELATED PARTY TRANSACTIONS**

The Related Party Transactions with details are furnished in the Note No. 32 of the Notes forming part of the financial statements. None of the transactions with any of the related parties were in conflict with the interests of the Company. Transactions with related parties entered into by the Company in the normal course of business were placed before the Audit Committee.

- **Details of Key Financial Ratios :**

Particulars	2017-18	2018-19
Cost to Income Ratio	31.27	31.82
Cost of Borrowed Funds (%)	7.82	8.00
Interest Coverage Ratio	1.47	1.32
Debt Service Coverage Ratio	0.13	0.11
Return on Net worth (%)	20.55	15.16
Return on Total Assets (%)	1.84	1.32
Price Earnings Ratio	9.81	8.47
Operating Profit Margin (%)	24.67	20.12
Net Profit Margin (%)	18.50	13.99



- **CAUTIONARY STATEMENT**

Statements in this report describing the Company's objectives, projections, estimations, expectations are "forward looking statements" within the meaning of applicable securities, laws and regulations. These statements are based on certain assumptions in respect of future events and Company assumes no responsibility in case the actual results differ materially due to change in internal or external factors.

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

Place : Mumbai  
Date : 24.05.2019

Sd/-  
**Neera Saxena**  
**Managing Director & CEO**



## CORPORATE GOVERNANCE REPORT

### REPORT OF DIRECTORS ON CORPORATE GOVERNANCE

#### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Company believes "Corporate Governance" is about commitment to values and about ethical business conduct. It is about how an organization is managed. This includes its corporate and other business structures, its culture, policies and procedures which ensures that the Company is managed in a manner that meets stakeholder's aspirations and societal expectations. Corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence.

The Board of Directors is pleased to place here below a report on the Corporate Governance practices followed by your Company:

#### GOVERNANCE STRUCTURE: BOARD OF DIRECTORS AND THE COMMITTEE OF DIRECTORS:

##### BOARD OF DIRECTORS/ BOARD MEETINGS

##### COMPOSITION OF THE BOARD

The Board of your Company comprises 14 members as on 31<sup>st</sup> March, 2019. Most of the members of the Board are Non-Executive Directors.

Sr. No.	Name of the Directors	Qualification	Executive/ Non Executive/ Independent	No. of Directorships in other Companies	No. of Committees membership in other Companies	
					Member	Chairman/ Chairperson
1	Smt. Alice G. Vaidyan (Non-Executive Chairperson)	Post Graduate and Fellow of the Insurance Institute of India	Non-Executive Director	5	4	1
2	Shri A. V. Girijakumar	MBA and Associate of the Insurance Institute of India	Non-Executive Director	3	0	1
3	Shri Girish Radhakrishnan	Post Graduate	Non-Executive Director	3	1	1
4	Shri Tajinder Mukherjee	Graduate and Fellow of the Insurance Institute of India	Non-Executive Director	3	3	1
5	Shri Atul Sahai	Post Graduate	Non-Executive Director	3	4	0
6	Smt. Sashikala Muralidharan	ICWA-Inter	Non-Executive Director	2	4	1
7	Shri V. Ramasamy	C.A.	Non-Executive /Independent Director	1	2	0
8	Shri Kamlesh S. Vikamsey	C.A.	Non-Executive /Independent Director	9	12	5
9	Smt. Mona Bhide	LL.B	Non-Executive /Independent Director	1	1	0

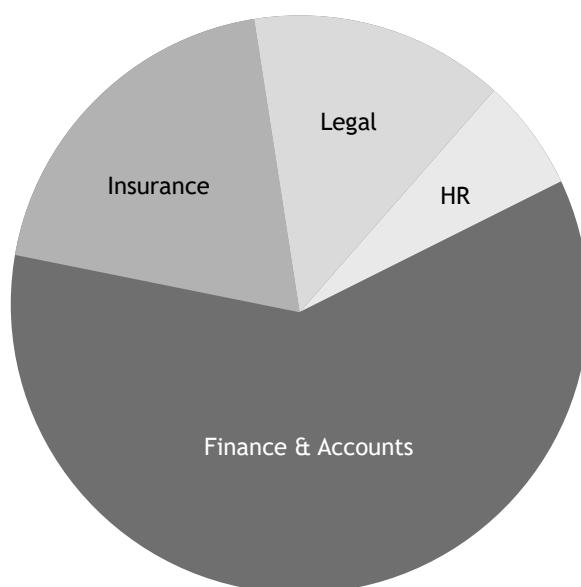
Sr. No.	Name of the Directors	Qualification	Executive/ Non Executive/ Independent	No. of Directorships in other Companies	No. of Committees membership in other Companies	
					Member	Chairman/ Chairperson
10	Shri B. Chakrabarti	C.A.	Non-Executive /Independent Director	1	1	1
11	Shri M. K. Garg	C.A.	Non-Executive /Independent Director	3	1	1
12	Shri A. V. Muralidharan	C.A. & C.S	Non-Executive /Independent Director	0	0	0
13	Shri NSR Chandra Prasad	Graduate and Fellow of Insurance Institute of India	Non-Executive /Independent Director	3	1	1
14	Smt. Neera Saxena	Post graduate	Managing Director & CEO	1	0	0

The Directors furnish a notice of disclosure of interest as specified in Section 184 of the Companies Act, 2013. The Company maintains Register of Contracts and details of Companies and Firms (if any) in which Directors are interested as provided in Section 189(1) of the Companies Act, 2013. The Independent and Non Executive Directors of the Company do not have any pecuniary relationship or transactions with the Company except for the sitting fees received by them.

A certificate from Practicing Company Secretary is also enclosed as **Annexure B** confirming that Directors are not debarred or disqualified by SEBI/MCA or any other statutory authority from being appointed as Director.

#### Expertise of the Board of Directors:

The Board of Directors consist of qualified Members having required skills, competence and expertise in the field of Finance and Accounts, Insurance, Legal, Human Resource and Risk Management. The Board is committed to ensure that the company is in compliance with the Highest Standard of Corporate Governance.





**Details of Directorship in other Listed Companies:**

Name of Directors	Name of Other Listed Company	Category of Directorship
Smt. Alice G. Vaidyan (Non-Executive Chairperson)	General Insurance Corporation of India	Managing Director (Executive)
Shri A. V. Girijakumar	-	-
Shri Girish Radhakrishnan	-	-
Shri Tajinder Mukherjee	-	-
Shri Atul Sahai	The New India Assurance Company Limited	Managing Director (Executive)
Smt. Sashikala Muralidharan	General Insurance Corporation of India	Whole time Director (Executive)
Shri V. Ramasamy	General Insurance Corporation of India	Independent Director
Shri Kamlesh S. Vikamsey	Man Infraconstruction Limited	Independent Director
	PTC India Financial Services Limited	Independent Director
	Tribhovandas Bhimji Zaveri Limited	Independent Director
	Container Corporation of India Limited	Independent Director
	Apcotex Industries Limited	Independent Director
	Navneet Education Limited	Non-Executive Director
Smt. Mona Bhide	Vinati Organics Limited	Independent Director
Shri B. Chakrabarti	-	-
Shri M. K. Garg	-	-
Shri A. V. Muralidharan	-	-
Shri NSR Chandra Prasad	-	-
Smt. Neera Saxena	-	-

**TERM OF OFFICE OF DIRECTORS:**

In terms of applicable provisions of Section 152 of Companies Act, 2013, two third of the total strength of the Directors are liable to retire by rotation and one third of them are required to retire every year and if eligible, may seek re-appointment at the Annual General Meeting.

In accordance with the requirements of the Companies Act 2013, and Article 125 of the Articles of Association of the Company, Shri A. V. Girijakumar who is retiring by rotation and being eligible, offers himself for reappointment.

Smt. Sashikala Muralidharan, Smt. Tajinder Mukherjee, Shri Girish Radhakrishnan and Shri Atul Sahai were appointed as Additional Directors upto the conclusion of this ensuing 29<sup>th</sup> AGM and they offer themselves for appointment as Non-Executive Directors.

Your Company has received a notice in writing from shareholders as per section 160 of the Companies Act, 2013 for their appointment.

Your Directors recommend re-appointment and appointment of Directors and the related resolution on the subject is included in the notice convening the ensuing Annual General Meeting.

**CODE OF CONDUCT:**

The Company has framed and put in place the Code of Conduct, duly approved by the Board of Directors. The said Code is applicable to all Directors and Senior Management of the Company and annual affirmations are obtained. All the Directors and Senior Management have affirmed their adherence to the provisions of the said Code. The code of conduct is posted on the website of the Company [www.gichfindia.com](http://www.gichfindia.com)

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

Company provides Familiarisation Programme to its Independent Directors at the time of their induction in the Board. During the year under review, there was no new appointment of Independent Director in the Company.

**MEETINGS OF THE BOARD:**

Normally the meetings of the Board are held at Mumbai, dates of which are decided in advance. The Members of the Board have access to all information and records of the Company. Senior officials are invited to attend the meetings to provide clarification as and when required.

The Board met Seven times during the year on 24<sup>th</sup> April, 2018, 2<sup>nd</sup> August, 2018, 3<sup>rd</sup> August, 2018, 22<sup>nd</sup> August, 2018 and 1<sup>st</sup> September, 2018, 26<sup>th</sup> November, 2018 and 1<sup>st</sup> February, 2019. The gap between two meetings did not exceed 120 days.

**Attendance Record of Directors: Number of Board Meetings held: 7**

Name of Directors	Number of Meetings attended	Whether attended last AGM held on 2 <sup>nd</sup> August, 2018
Smt. Alice G. Vaidyan	6	Yes
Shri A. V. Girijakumar	2	No
Smt. Tajinder Mukherjee (Appointed on 26 <sup>th</sup> November, 2018)	1	NA
Shri Girish Radhakrishnan (Appointed on 26 <sup>th</sup> November, 2018)	1	NA
Shri Atul Sahai (Appointed on 1 <sup>st</sup> February, 2019)	1	NA
Smt. Sashikala Muralidharan (Appointed on 28 <sup>th</sup> June, 2018)	4	No
Shri V. Ramasamy	5	Yes
Shri Kamlesh S. Vikamsey	5	Yes
Smt. Mona Bhide	7	Yes
Shri B. Chakrabarti	7	Yes
Shri M. K. Garg	6	Yes
Shri A. V. Muralidharan	7	Yes
Shri NSR Chandra Prasad	7	Yes
Smt. Neera Saxena (Appointed on 3 <sup>rd</sup> August, 2018)	4	NA

**SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:**

Sr. No.	Name of the Directors	Number of shares held
1	Smt. Alice G. Vaidyan	Nil
2	Shri A. V. Girija Kumar	Nil
3	Shri Girish Radhakrishnan	Nil
4	Smt. Tajinder Mukherjee	Nil
5	Shri Atul Sahai	Nil
6	Smt. Sashikala Muralidharan	Nil
7	Shri V. Ramasamy	Nil
8	Shri Kamlesh S. Vikamsey	Nil
9	Smt. Mona Bhide	Nil
10	Shri B. Chakrabarti	Nil
11	Shri M. K. Garg	Nil
12	Shri A. V. Muralidharan	Nil
13	Shri NSR Chandra Prasad	Nil

**COMMITTEES OF THE BOARD:**

With a view to enable more focused and timely attention to the affairs of the Company, the Board has constituted the following Committees with delegation in particular areas.

**AUDIT COMMITTEE**

The Audit Committee of the Company was constituted in the year April 1996. The present Audit Committee consists of Shri V. Ramasamy, Director, as the Chairman of the Committee, Smt. Sashikala Muralidharan, Shri Kamlesh S. Vikamsey and Shri A. V. Muralidharan; Directors are its other members. The Members of the Committee are experienced Directors having knowledge of Accounts, Law and other related subjects. The composition, quorum, powers, role, review of information, scope etc... of the Audit Committee is in accordance with Section 177 of Companies Act, 2013 and the provisions of SEBI Listing Regulations.

The powers, role and scope of the Audit Committee are as per Regulation 18 of SEBI Listing Regulations, issued as per the directions of SEBI and the Companies Act, 2013. The Members of the Committee are qualified, experienced and possess professional knowledge with reference to powers, role and scope of the Committee and as such effectively contribute to its functioning. The prime responsibility of Audit Committee is to review with the Management, the quarterly/ annual financial statements prior to its submission before the Board for approval. It includes the oversight of the Company's financial reporting process and the disclosure of its financial information to ensure its content, sufficiency and credibility, recommending the appointment/ re-appointment, replacement or removal, if any, of external/ internal auditors, fixation of audit fee, reviewing the internal control systems, scope and functions of internal auditors, findings of internal investigations, if any. The terms of reference include review of draft audit reports, reviewing with Management, the performance of statutory and internal auditors, reports relating to compliance with laws and other legal requirements, records relating to related party transactions and defaults, if any, in the payment(s) to the various investors of the Company. The Audit Committee reviews the inspection reports, if any, submitted by the statutory/ regulatory Authorities together with the replies thereon.

The Company Secretary acts as the Secretary to the Committee. The Committee met Seven times during the year under review on 24<sup>th</sup> April, 2018, 2<sup>nd</sup> August, 2018, 21<sup>st</sup> August, 2018, 1<sup>st</sup> September, 2018, 13<sup>th</sup> November, 2018, 26<sup>th</sup> November, 2018 and 1<sup>st</sup> February, 2019. Senior Officials and Statutory Auditors are invited to attend the meetings and provide clarification as and when required. The minutes of meetings of the Audit Committee are placed before the Board for noting.

Sr. No.	Name of the Directors	Number of Meetings Attended
1	Shri V. Ramasamy	5
2	Smt. Sashikala Muralidharan (Appointed on 28 <sup>th</sup> June, 2018)	4
3	Shri Kamlesh S. Vikamsey	5
4	Shri A. V. Muralidharan	7

**NOMINATION AND REMUNERATION COMMITTEE**

Nomination and Remuneration Committee was constituted by the Board in its meeting held on 6<sup>th</sup> May, 2009. The terms of reference of the Committee includes to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management, to formulate a criteria for determining qualifications, positive attributes and independence of a Director, to evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation, to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management, to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks, to devise a policy on Board diversity, to carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, to perform such other functions as may be necessary or appropriate for the performance of its duties. The Committee presently consists of 4 Directors - Smt. Mona Bhide, Director is the Chairperson of the Committee. The other members include Shri V. Ramasamy, Smt. Sashikala Muralidharan and Shri B. Chakrabarti. The Committee has laid down the following criteria for evaluation of performance of Independent Directors and the Board:



1. Attendance and contribution at Board and Committee meetings.
2. Familiar with the Company's Policies, Values & Beliefs and Code of Conduct.
3. Keep himself/herself updated with the development & factors affecting the Company's business.
4. Discloses his/her interest in any of the agenda items under discussion and any change in directorship/other interest.
5. Provides inputs and suggestions to Management/Board in his/her areas of expertise
6. Any other criteria, as fixed by the Committee from time to time.

The Committee met 2 times on 2<sup>nd</sup> August, 2018 and 26<sup>th</sup> November, 2018.

**Attendance Record of Directors:** Number of Committee Meetings held: 2

Sr. No.	Name of the Directors	Number of Meetings Attended
1	Smt. Mona Bhide	2
2	Shri V. Ramasamy	2
3	Smt. Sashikala Muralidharan	2
4	Shri B. Chakrabarti	2

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee was constituted in March 1995. It presently consists of 4 Directors. Shri M. K. Garg Director is the Chairman of the Committee. The other members include Shri A. V. Muralidharan, Smt. Sashikala Muralidharan and Shri NSR Chandra Parasad.

The Chairman of the Committee is a Non -Executive (Independent) Director. The Committee reviews, processes, standard operating procedures and initiatives taken by the Company relating to investor service, reviews compliances with the requirements relating to listing regulations and Corporate Governance, share-holding pattern, periodical transfers/ transmissions of shares, de-materialisation and re-materialisation of shares, issue of duplicate certificates of the securities issued by the Company, complaints, if any, like non-receipt of balance sheet, non-receipt of declared dividends, complaints made with any statutory agencies including SEBI by the shareholders/ investors, if any, compliance with the applicable provisions of the Companies Act, 2013 and various other statutes as applicable and the effective steps taken for redressal. To expedite the process of share transfers, the Board delegated the power of share transfer to the Committee consisting of the Managing Director & CEO and the Company Secretary. The Committee meets on weekly basis and approves the periodical transfers/ transmissions, issue of duplicate shares, Rematerialisation, Name deletion etc... The Board Committee reviews the queries and complaints received from the shareholders and the steps taken for their redressal, reconciliation of share capital, shareholding pattern. During the year under review, 7 queries were received, which were replied/ resolved to the satisfaction of the shareholders. There are no pending share transfers.

The Committee met 2 times on 24<sup>th</sup> April, 2018 and 1<sup>st</sup> February, 2019.

**Attendance Record of Directors:** Number of Committee Meetings held: 2

Sr. No.	Name of the Directors	Number of Meetings Attended
1	Shri M.K. Garg	1
2	Shri A.V. Muralidharan (from 7 <sup>th</sup> July, 2018)	1
3	Smt. Sashikala Muralidharan (from 7 <sup>th</sup> July, 2018)	1
4	Shri NSR Chandra Prasad (from 7 <sup>th</sup> July, 2018)	1
5	Shri V. Ramasamy (up to 7 <sup>th</sup> July, 2018)	1
6	Smt. Mona Bhide (up to 7 <sup>th</sup> July, 2018)	1

Shri S. Sridharan (Sr. Vice President & Company Secretary) is the Compliance Officer of the Committee.

E-mail ID for the purpose of registering queries/ complaints by investors - [investors@gichf.com](mailto:investors@gichf.com)

**ASSET LIABILITY MANAGEMENT COMMITTEE**

Asset Liability Management Committee (AMC) of the Company is constituted in line with Corporate Governance (NHB) Directions 2016. The Committee consists of 4 Directors namely Shri B. Chakrabarti as Chairman of the Committee and Shri V. Ramasamy, Shri M. K. Garg and Smt. Neera Saxena are the Members of the Committee.

During the year Committee met on 26<sup>th</sup> November, 2018.

**Attendance Record of Directors:** Number of Committee Meetings held: 1

Sr. No.	Name of the Directors	Number of Meetings Attended
1	Shri B. Chakrabarti	1
2	Shri V. Ramasamy	1
3	Shri M.K. Garg	1
4	Smt. Neera Saxena	1

Shri S. Sridharan (Sr. Vice President & Company Secretary) is the Compliance Officer of the Committee.

**RISK MANAGEMENT COMMITTEE**

The Risk Management Committee (RMC) of the Company is constituted in line with Corporate Governance (NHB) Directions 2016 on 22<sup>nd</sup> October, 2018. The Committee consists of 4 Directors namely Shri A.V. Muralidharan (as Chairman) and Shri M.K. Garg, Shri NSR Chandra Prasad, Smt. Neera Saxena as the Members of Committee.

During the year Committee met on 26<sup>th</sup> November, 2018.

**Attendance Record of Directors:** Number of Committee Meetings held: 1

Sr. No.	Name of the Directors	Number of Meetings Attended
1	Shri A.V. Muralidharan	1
2	Shri M.K. Garg	1
3	Shri NSR Chandra Prasad	1
4	Smt. Neera Saxena	1

Shri S. Sridharan (Sr. Vice President & Company Secretary) is the Compliance Officer of the Committee.

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Corporate Social Responsibility (CSR) Committee was constituted by the Board in its meeting held on 7<sup>th</sup> May, 2014. The Board level Committee shall oversee the entire process of implementation of CSR related activities through review meeting on the reports of Management level Committee, which shall be submitted to it quarterly.

The CSR Committee presently consists of Shri NSR Chandra Prasad (as Chairman) and Smt. Mona Bhide, Independent Director, Shri B. Chakrabarti, Independent Director and Smt. Neera Saxena, Managing Director & CEO are the Members of the Committee.

During the year Committee met 2 times on 31<sup>st</sup> January, 2019 and 15<sup>th</sup> March, 2019.

**Attendance Record of Directors:** Number of Committee Meetings held: 2

Sr. No.	Name of the Directors	Number of Meetings Attended
1	Shri NSR Chandra Prasad	2
2	Smt. Mona Bhide	2
3	Shri B. Chakrabarti	2
4	Smt. Neera Saxena	2

Shri S. Sridharan (Sr. Vice President & Company Secretary) is the Compliance Officer of the Committee.

**REMUNERATION OF DIRECTORS**

The Non-Executive Independent Directors of our Company were paid only the eligible sitting fees for attending meetings and no other remuneration has been paid. The Non-Executive Independent Directors do not have any material pecuniary relationship or transaction with the Company.

The quantum of sitting fees paid to the Non-Executive, Independent Directors are as follows:

Sr. No.	Name of the Independent Directors (Non-Executive)	Sitting Fees Paid (₹)
1	Shri V. Ramasamy	4,80,000/-
2	Shri Kamlesh S. Vikamsey	3,30,000/-
3	Smt. Mona Bhide	3,90,000/-
4	Shri B. Chakrabarti	3,90,000/-
5	Shri M. K. Garg	3,00,000/-
6	Shri A. V. Muralidharan	5,10,000/-
7	Shri NSR Chandra Prasad	3,60,000/-

The details of the Remuneration paid to the Managing Director & CEO for the year 2018-19 are as follows:

Particulars	Shri S. Gopakumar (from 1 <sup>st</sup> April, 2018 to 2 <sup>nd</sup> August, 2018) (₹)	Smt. Neera Saxena (from 3 <sup>rd</sup> August, 2018 to 31 <sup>st</sup> March, 2019) (₹)
Salary	8,29,823/-	18,74,153/-
Salary Arrears	--	--
Leave Encashment and other allowances	3,90,675/-	2,94,363/-
Performance Incentive	4,75,000/-	--
Contribution to Pension and Other funds	46,720/-	1,04,523/-
Perquisites	33,000/-	86,381/-
<b>Total</b>	<b>17,75,218/-</b>	<b>23,59,420/-</b>

**COMMUNICATION TO THE SHAREHOLDERS**

The main source of information to the Shareholders is the Annual Report, which includes interalia, the Directors' Report, the Report of the Board of Directors on Corporate Governance, Management Discussion and Analysis Report and the audited financial results. The unaudited quarterly and audited results are published for the information of the Shareholders in leading National and Regional daily newspapers and intimated to the Stock Exchanges as required under the Listing Agreements. The financial results of the Company are uploaded on the Company's website. The Company's website address is [www.gichfindia.com](http://www.gichfindia.com).

**ANNUAL GENERAL MEETINGS (AGMs)**

The particulars of Annual General Meetings held during the last three years are as follows:

Year	Date	Time	Location
2015-16	27 <sup>th</sup> July, 2016	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 <sup>th</sup> Floor, General Jagannath Bhosale Marg, Mumbai - 400021.
2016-17	24 <sup>th</sup> July, 2017	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 <sup>th</sup> Floor, General Jagannath Bhosale Marg, Mumbai - 400021.
2017-18	2 <sup>nd</sup> August, 2018	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 <sup>th</sup> Floor, General Jagannath Bhosale Marg, Mumbai - 400021.

**DETAILS OF SPECIAL RESOLUTIONS PASSED IN THE LAST THREE YEARS.**

Date of AGM/Postal Ballot/EGM	Number of Resolutions	Details
27 <sup>th</sup> July, 2016 (AGM)	NIL	NIL
24 <sup>th</sup> July, 2017 (AGM)	6	<ol style="list-style-type: none"> <li>1. Increase in the borrowing power of the Company.</li> <li>2. Creation of Charges on moveable and immovable property of the Company.</li> <li>3. Re-Appointment of Independent Director(s)</li> <li>4. Private Placement of Redeemable Non-convertible Debentures (NCDs/Bonds).</li> </ol>
2 <sup>nd</sup> August, 2018 (AGM)	6	<ol style="list-style-type: none"> <li>1. Reappointment of Shri V. Ramasamy (DIN 00490988), Independent Director.</li> <li>2. Reappointment of Shri Kamlesh S. Vikamsey (DIN 00059620), Independent Director.</li> <li>3. Reappointment of Smt. Mona Bhide (DIN 05203026), Independent Director.</li> <li>4. Increase in the Borrowing Powers of the Company.</li> <li>5. Creation of Charge on Movable and Immovable Properties.</li> <li>6. Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds.</li> <li>7. Related Party Transactions upto an aggregate limit of ₹ 1,000 crores only.</li> </ol>

**DETAILS OF SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT IN THE FINANCIAL YEAR 2018-19.**

The appointment of Smt. Neera Saxena (DIN 08189646) as Managing Director & CEO was proposed to the shareholders by issue of Postal Ballot Notice dated 3<sup>rd</sup> August, 2018. Shri Makrand M. Joshi, Partner of M/s Makrand M. Joshi & Co. Practicing Company Secretary was appointed as “Scrutinizer” to receive and scrutinize the complete Ballot Forms received from the Members and also to scrutinize the E-Voting process in fair and transparent manner.

The appointment of Smt. Neera Saxena as Managing Director & CEO was approved by the shareholders and special resolution was passed with requisite majority by casting 99.99% votes in favour of the subject resolution.

**PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE**

Shri Makrand M. Joshi, Partner of M/s Makrand M. Joshi & Co. Practicing Company Secretary as “Scrutinizer”.

**WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT:** No Special Resolution is proposed to be conducted through Postal Ballot as on the date of AGM.

**PROCEDURE FOR POSTAL BALLOT**

Your Company follows the provisions of the Companies Act, 2013, Secretarial Standard 2 issued by ICSI and Listing Regulations, 2015 for Postal Ballot Exercise, if any.

**OTHER DISCLOSURES**

- a) **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.**

None of the transactions with any of the related parties were in conflict with the interests of the Company. Transactions with related parties entered into by the company in the normal course of business were placed before the Audit Committee. Details of related party disclosures as per IND AS 24 are included in Note No. 32 of the Notes forming part of the financial statements.

Policy on related party transaction is available on the Company's website i.e. [www.gichfindia.com](http://www.gichfindia.com)



- b) **Details of non-compliances by the Company, penalties and strictures imposed on the Company by the Stock Exchange/s, SEBI and any statutory authority on any matter related to capital markets, during the last three years.**

There were no instances of non-compliance of any matter related to capital markets during the last three years. During the year, There was only one penalty of ₹ 34.15 lacs imposed by NHB for non-compliance of NHB Directions 2010. There was no other strictures or penalties imposed by Securities and Exchange Board of India or by the Stock Exchange/s or any statutory authority for non compliance of any matter related to the capital markets.

- c) **Vigil mechanism/Whistle Blower Policy:**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and Employees to report to the Audit Committee about the unethical behavior, fraud or violation of Company's Code of Conduct. The Whistle Blower Policy is displayed on the Company website i.e. [www.gichfindia.com](http://www.gichfindia.com). None of the personnel of the Company has been denied access to the Audit Committee.

- d) The Company has complied with all the mandatory requirements specified in Regulation 17 to 27 and all the applicable clauses of Regulation 46 of SEBI (LODR) 2015 and applicable Accounting Standards issued by the Institute of the Chartered Accountants of India from time to time and other regulations applicable to it. The Corporate Governance Report of the Company for the FY 2018-19 is in Compliance with the requirements of the Corporate Governance under SEBI (LODR) 2015.

- e) Related Party Transaction Policy is available at the website of the Company [www.gichfindia.com](http://www.gichfindia.com)

- f) **SUBSIDIARIES**

Your Company has no subsidiaries and as such the requirement relating to certain compliances as prescribed are not applicable.

- g) **GOING CONCERN**

The Board of Directors of your Company is satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently considers it appropriate to adopt the Going Concern basis in preparing its financial statements.

- h) **AUDIT QUALIFICATION**

There is no qualification on any of the financial statements for the financial year 2018-19 of the Company.

- i) **SHAREHOLDERS INFORMATION**

Detailed information in this regard is provided in the Section "Shareholders Information" which forms part of this Annual Report.

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

Sd/-

**Neera Saxena**

**Managing Director & CEO**

Place : Mumbai

Date : 24.05.2019



**SHAREHOLDERS INFORMATION:**

1. **Twenty-ninth Annual General Meeting:** Date : 19<sup>th</sup> September, 2019  
Time : 3.30 P.M.  
Venue : Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Rangaswar Hall, 4<sup>th</sup> Floor, General Jagannath Bhosale Marg, Mumbai-400 021.
2. **Financial Year :** 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019
3. **Financial Calendar for the year 2019-20. (Provisional)**

Results for the first quarter ending 30 <sup>th</sup> June, 2019 (Subject to Limited Review).	Before the end of July, 2019
Results for the second quarter ending 30 <sup>th</sup> September, 2019 (Subject to Limited Review).	Before the end of October, 2019
Results for the third quarter ending 31 <sup>st</sup> December, 2019 (Subject to Limited Review).	Before the end of January, 2020
Audited Results (with Limited Review for the last Quarter) for the financial year ending 31 <sup>st</sup> March, 2020.	Before the end of May, 2020
Annual General Meeting for the year ending March, 2020	Before the end of September, 2020

4. **Book Closure**

The Register of Members and Share Transfer books are closed keeping in view the Scheduled date of the Annual General Meeting. For the year under reference the above registers/ books would be closed from **14<sup>th</sup> September, 2019 (Saturday) to 19<sup>th</sup> September, 2019 (Thursday)** (both days inclusive) and was notified accordingly.

5. **Listing of Shares & Non-Convertible Debentures**

**Equity Shares** - The equity shares issued by the Company are listed on the BSE Limited and National Stock Exchange of India Limited. Annual Listing fees as prescribed have been paid to both the stock exchanges for the year 2018-19 well in advance.

**Security Code for Equity shares**

- **NSE of India Limited: Script Code : GICHSGFIN**  
**Address:**The NSE of India Limited,  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (E),  
Mumbai - 400 051
- **BSE Limited: Script Code : 511676**  
**Address:**BSE Limited,  
P.J. Towers,  
Dalal Street,  
Fort,  
Mumbai - 400 001

**Non-Convertible Debentures - NIL**

6. **Dematerialisation of shares**

With effect from 1<sup>st</sup> April, 2019, the Equity Shares of the Company are to be traded compulsorily in Dematerialised form. Total No. of 5,34,89,704 equity shares which is 99.19 % of the paid-up Equity Capital are in dematerialised as on 31<sup>st</sup> March, 2019.

The Company has entered into agreements with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) for this purpose and the equity shares of the Company have been admitted as an 'eligible security' into the Depository System.

ISIN Number for Equity Shares - INE289B01019

**7. Dividend Payment**

Subject to approval by the Shareholders, dividend warrants/NECS advice will be posted to eligible members within the time limit permissible under the provisions of the Companies Act, 2013.

Dividend warrants/ NECS advice in respect of shares held in Demat form are posted to the beneficial owners to their addresses as per the information furnished by the NSDL & CDSL as on the date of Book Closure. Dividend will be paid on or after 27<sup>th</sup> September, 2019 (Friday).

**8. Market price data during the last financial year on BSE and NSE.**

- Monthly high & low Index Quotes and Volume traded in BSE

MONTH	INDEX (SENSEX) (₹)		QUOTE (₹)	
	High	Low	High	Low
April, 2018	35160.36	33019.07	433.75	376.3
May, 2018	35556.71	34344.91	424.45	376.3
June, 2018	35739.16	34903.21	394.00	352.15
July, 2018	37606.58	35264.41	360.75	338.3
August, 2018	38896.63	37165.16	353.7	337.85
September, 2018	38389.82	36227.14	341.3	254.2
October, 2018	36526.14	33349.31	264.35	215.2
November, 2018	36194.3	34431.97	263.5	229.95
December, 2018	36484.33	34959.72	261.65	223.95
January, 2019	36444.64	35513.71	266.4	225.5
February, 2019	36975.23	35352.61	245.2	216.15
March, 2019	38672.91	36063.81	271.85	242.05

- Monthly high & low Index Quotes and Volume traded in NSE.

MONTH	INDEX (NIFTY) (₹)		QUOTE (₹)	
	High	Low	High	Low
April, 2018	10739.35	10128.4	433.50	376.06
May, 2018	10806.6	10513.85	425.00	376.40
June, 2018	10856.7	10589.1	392.35	350.55
July, 2018	11356.5	10657.3	360.85	337.95
August, 2018	11738.5	11244.7	354.15	338.65
September, 2018	11589.1	10930.45	341	254.8
October, 2018	11008.3	10030	265.75	215.25
November, 2018	10876.75	10380.45	263.4	229.00
December, 2018	10967.3	10488.45	263.6	225.05
January, 2019	10922.75	10651.8	265.75	226.9
February, 2019	11069.4	10604.35	245.25	216.2
March, 2019	11623.9	10863.5	273.5	241.95


**9. Distribution of Shareholding as at 31<sup>st</sup> March, 2019**

DESCRIPTION	HOLDER (S)		HOLDING (S)	
	FOLIOS	%	SHARES	%
Upto 5000	50894	91.44	54101230	10.05
5001 - 10000	2479	4.45	19771100	3.67
10001 - 20000	1139	2.05	17225400	3.20
20001 - 30000	397	0.71	10112880	1.88
30001 - 40000	177	0.32	6419010	1.19
40001 - 50000	126	0.23	5907850	1.10
50001 - 100000	232	0.42	16889540	3.14
More than 100000 & Above	217	0.39	408083650	75.78
<b>TOTAL</b>	<b>55661</b>	<b>100.00</b>	<b>53851066</b>	<b>100</b>

**10. Shareholding pattern as at 31<sup>st</sup> March, 2019.**

Sr. No.	DESCRIPTION	Cases	Shares	% Equity
1	BANKS	4	68490	0.13
2	CLEARING MEMBERS	86	204067	0.38
3	FOREIGN INSTITUTIONAL INVESTOR	26	885282	1.64
4	FOREIGN NATIONALS	1	200	0.00
5	FOREIGN PORTFOLIO INVESTORS	26	3191239	5.93
6	H U F	1301	1001272	1.86
7	INSURANCE COMPANIES	1	122197	0.23
8	BODIES CORPORATES	1	3050250	5.66
9	MUTUAL FUNDS	702	4533982	8.42
10	NBFC	2	662019	1.23
11	NON RESIDENT INDIANS	6	2479	0.00
12	NRI NON-REPATRIATION	884	565098	1.05
13	PROMOTER COMPANIES	354	215055	0.40
14	RESIDENT INDIVIDUALS	5	22836839	42.41
15	TRUSTS	52278	16467722	30.58
16	IEPF	9	44875	0.08
	<b>Total</b>	<b>55661</b>	<b>53851066</b>	<b>100</b>

**11. Compliance Officer:**

Shri S. Sridharan, Senior Vice President & Company Secretary.

**12. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity: Not Applicable.**
**13. Plant Location: Not Applicable**
**14. There are no shares lying under Demat Suspense Account / Unclaimed Suspense Account and hence the Company does not have any Demat Suspense Account / Unclaimed Suspense Account.**

**15. Registrar, Share Transfer Agent & Shareholders Correspondence****M/S KARVY FINTECH PVT. LTD.,****Corporate Office:**

Karvy Selenium, Tower B,  
Plot 31-32, Gachibowli,  
Financial District,  
Hyderabad-500032  
Tel No. +91 40 67162222  
Fax No. +91 40 23420814  
Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

**Mumbai Front Office:**

24-b, Raja Bahadur Mansion,  
Ground Floor, Ambalal Doshi Marg,  
Behind BSE, Fort, Mumbai-400023.  
Tel No. +91 226623 5454/412/427

**16. Share Transfer System**

All the transfers are processed by the Registrar and Share Transfer Agent namely, **M/s Karvy Fintech Private Limited** and approved by the Committee constituted for the said purpose which meets on a weekly basis.

**UNCLAIMED DIVIDEND**

In terms of the provisions of Section 124(5) of the Companies Act, 2013, money transferred to the Unpaid Dividend Account of the Company, which remain unclaimed and unpaid for a period of 7 years from the date on which it was first due for payment, are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125(1) of the Companies Act, 2013. The Company sends final reminder letters to individual share holders well ahead of due dates for transfer of unclaimed dividend amount to IEPF. Despite such reminders, there are few shareholders who have not claimed their dividends.

The due date for transfer of unclaimed dividend pertaining to year 2011-12 is September, 2019.

Members of the Company can claim the unpaid dividend, if any, from the Company before the date of transfer to IEPF as mentioned above.

**BANK ACCOUNT PARTICULARS**

The Members holding shares in physical mode are requested to furnish original cancelled cheque containing their latest bank account number/ particulars (comprising 15 digits or otherwise, as the case may be), directly to the Registrar and Share Transfer Agent for incorporation of the same on the dividend warrants.

**DIVIDEND PAYMENT THROUGH NECS**

The dividend warrants in respect of the shares held in electronic/ demat mode as of the date of Book Closure would be posted to the beneficial owners to their addresses as per the information furnished by the NSDL and CDSL. The Company will arrange to remit the dividend through NECS, to those beneficial owners with bank account number/ particulars (comprising 15 digits or otherwise, as the case may be), subject to availability of NECS facility at such Centres as notified by the Reserve Bank of India.

**NOMINATION**

Shareholders of the Company holding physical shares in single name are requested to nominate a person of their choice by submitting the prescribed nomination form i.e., Form SH-13, in duplicate, to the Company or to its Registrars & Share Transfer Agents. Shareholders holding shares in dematerialised form are requested to contact their Depository Participant.

**PUBLICATION OF FINANCIAL RESULTS**

The financial results are well published in the Financial Express (English) and Loksatta (Marathi) during the year.



## **DECLARATION ON CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for the Board of Directors and Senior Management of the Company. The same is available on the website of the Company.

Being a Managing Director & CEO of GIC Housing Finance Ltd., and as required under SEBI Listing Regulations of the Stock Exchanges in India, I hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2018-19.

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

Place: Mumbai  
Date: 24.05.2019

Sd/-  
**Neera Saxena**  
Managing Director & CEO

## **CEO/CFO CERTIFICATION**

We, S. Sridharan, Sr. Vice President & Company Secretary (CFO) and Neera Saxena, Managing Director & CEO, certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31/3/2019 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31/3/2019, which are fraudulent, illegal or violative of the Company's code of conduct, except the fraudulent transactions if any as reported to the Board in individual loans.
- c) We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company and disclosed to the auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which we are aware and the steps taken or proposed to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
  - i. significant changes in the internal control during the year ended 31/3/2019
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

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

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

Sd/-  
**S.Sridharan**  
Sr.Vice President & Company Secretary (CFO)

Sd/-  
**Neera Saxena**  
Managing Director & CEO

Place : Mumbai  
Date : 24.05.2019



## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To  
The Members,  
GIC Housing Finance Limited

We have examined the compliance of conditions of corporate governance by **GIC Housing Finance Limited** ("the Company"), for the year ended on March 31, 2019, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchange(s).

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We further state that such compliance 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 **Makarand M Joshi & Co**  
Practicing Company Secretaries

**Kumudini Bhalerao**  
Partner  
FCS No. 6667  
CP No. 6690

Place : Mumbai  
Date : 24.05.2019



# Independent Auditor's Report

To the Members of GIC Housing Finance Limited

Report on the Audit of Financial Statements

## Opinion

We have audited the financial statements of **GIC Housing Finance Limited** ("the Company"), which comprise the balance sheet as at 31 March 2019, and the statement of profit and loss (including other comprehensive income), the statement of cash flows and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 March 2019, its profit and total comprehensive income, its cash flows and changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, 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.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of the audit of the Financial Statements as a whole, and in forming auditor's 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.

Key audit matter description	How the matter was addressed in our audit
<b>A) Impairment on financial instrument</b>	
<p>The impairment of the loans is based on expected credit loss (ECL) model as per Ind AS-109- Financial Instruments. The Company's impairment allowance is based on certain management estimates including the historical default rates and loss ratios.</p> <p>The recognition and measurement of impairment of loans and advances involve significant management judgement. The areas where the management has exercised significant judgements are:</p> <ul style="list-style-type: none"> <li>Segmentation of loan book</li> <li>Loan staging criteria</li> <li>Calculation of probability of default / Loss given default</li> <li>Consideration of forward looking macro-economic factors</li> </ul>	<p>Our audit procedures included understanding and assessing the design and implementation of controls in respect of the Company's loan impairment process such as the timely recognition of impairment provisions, the completeness and accuracy of reports used in the loan impairment process and management review processes over the calculation of impairment provisions.</p> <p>We have understood the process and system for calculation of impairment allowance. We have evaluated the appropriateness of the impairment principles based on the requirements of Ind AS 109, our business understanding and industry practice.</p> <p>Further we evaluated the loan impairment methodology to confirm it was consistent with the Ind AS 109 requirements and then confirmed that the calculations are performed in accordance with the approved methodology.</p>

Key audit matter description	How the matter was addressed in our audit
<p>The ECL requires a large variety of data as an input to the model. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model.</p> <p>The Company has evaluated loans for impairment on a collective basis grouping loans by product into similar exposure groups. For collective impairment provisions we identified that the key judgment areas which could result in a material misstatement are the determination of probabilities of default ('PDs') and loss given default ('LGD') and the periods considered for capturing the underlying data as base to the PD and LGD calculations in calculating the provision.</p> <p>The determination of loan impairment provisions is inherently judgmental and relies on managements' best estimate of a variety of inputs. The impact of the impairment provision is one of the significant items in the financial statement and hence we have considered this as a Key Audit Matter.</p>	<p>On test check basis, we have verified the accuracy of key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made.</p> <p>We have also tested the periods considered for capturing underlying data as base to PD and LGD calculations are in line with the past observed trends of the portfolio.</p> <p>We tested the PD and LGD calculation workings performed by management, including testing the data used in the assessment and evaluation of whether the results support the appropriateness of the PDs at the portfolio level.</p> <p>We have also reviewed the work done by other experts like Independent valuers, Lawyers, Legal Experts and other such professionals who have rendered services to the company, in accordance with SA 620 Using the Work of an Auditor's Expert.</p>
<b>B) Information Technology (IT) Systems and controls over financial reporting</b>	
<p>The Company financial accounting and reporting systems are highly dependent on the effective working of the operating and accounting system. Extensive volume, variety and complexity of transactions are processed daily and there is a risk that automated accounting procedures and related internal controls may not be accurately designed and operating effectively. Particular areas of focus relate to the logic that is fed into the system, sanctity and reliability of the data, access management and segregation of duties.</p> <p>These underlying principles are important because they ensure that changes to applications and data are appropriate, authorized, cleansed and monitored, so that the system generates accurate and reliable reports/ returns and other financial and non-financial information that is used for the preparation and presentation of the financial statements.</p> <p>We have relied on the consistent and accurate functioning of System for the following:</p> <ul style="list-style-type: none"> <li>Recording Interest and Fees Income on Loan Portfolio;</li> <li>Identification of Loan Portfolio and its maturity pattern in various brackets;</li> <li>Recording the Expenses i.e. Legal Fees, Commission, Valuer Fees and other such related expenses;</li> </ul>	<p>Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the IT system by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis. Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Ensuring that deficiencies noticed in our verification on test check basis were informed to the management for corrective action;</li> <li>Carrying out independent alternative audit procedures like substantive testing in areas where deficiencies were noticed;</li> <li>Analytical procedures like ratio analysis, trend analysis, reasonable tests, comparative analysis;</li> <li>Reviewed the reliability, effectiveness and accuracy of manual interventions on test check basis.</li> </ul> <p>Our audit procedures also included the assessment of controls over the approval, disbursements and monitoring of loans, and reviewing the logic and assumptions used in the operating systems and other related IT systems for compliance of the NHB Directions, 2010.</p>



Key audit matter description	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>Various Report Generated, including the report for Asset Classification &amp; Provision, for onwards Submission to National Housing Bank As per the requirement of Housing Finance Companies (NHB) Directions, 2010</li> </ul>	
<b>C) Changes to the financial statements due to transition to Ind AS</b>	
<p>On 1 April 2018 the Company adopted the Indian Accounting Standard (“Ind AS”) notified by the Ministry of Corporate Affairs with effect from 1 April 2017 being transition date.</p> <p>The Company has followed Ind AS notified under Section 133 of the Companies Act 2013 (‘the Act’), read with the relevant rules for preparation of the Financial Statement.</p> <p>As a part of the transition from previous GAAP to Ind AS, the major areas of impact for the Company are:</p> <ul style="list-style-type: none"> <li>Impairment on financial instruments</li> <li>Fair valuation of financial instruments</li> <li>Recognition of deferred tax liabilities</li> <li>Presentation and disclosures of the Financial Statements</li> </ul>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Understood the methodology planned by the management to give impact to the transition adjustments.</li> <li>Assessed that the adjustments made for the financial statements are in lines with the Ind AS requirements.</li> <li>Tested the accuracy of key inputs used in the calculation and independently evaluated the reasonableness of the assumptions made for the adjustments.</li> <li>We assessed the accuracy of the computations.</li> <li>Verified the appropriateness of the disclosures required for the first-time adoption of Ind AS.</li> <li>Tested management review controls over completeness and measurement of disclosures in Financial Statements.</li> </ul>

### Other Information

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditors’ report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

### Management’s Responsibility for the financial statements

The Company’s management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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 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 Act, 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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.

From the matters communicated in with those charged with governance, we determine those matters that were of most significance in the audit of the 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**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act (hereinafter referred to as the "Order"), and 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 we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.
  - e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act.
  - f) With respect to 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 A".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 (1) to the financial statements.
- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2019.
- iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.

**For CNK & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Manish Sampat**

Partner

Membership No. 101684

Date : May 24, 2019

Place : Mumbai



## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification are not material and have been properly dealt with in the books of accounts. In our opinion, the frequency of verification is reasonable.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the Company.
- iii) (a) According to the information and explanations given to us, during the year the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of Clause 3(iii)(a) of the said order is not applicable to the Company.
  - (b) In case of the Housing loan granted in the earlier financial year to a party listed in the register maintained under Section 189 of the Act, the borrower is regular in the payment of the principal and interest as stipulated.
  - (c) There is no overdue amount for more than ninety days in respect of the Housing loan granted in the earlier financial year to a party listed in the register maintained under Section 189 of the Act.
- iv) The Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 and 186 of the Act. Consequently, requirements of clause (iv) of paragraph 3 of the order are not applicable.
- v) According to the information and explanations given to us, Company has not accepted any deposits to which directives of National Housing Bank and provisions of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder apply. Accordingly, the provisions of clause 3(v) of the said Order are not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employee's State Insurance, income-tax, sales tax, value added tax, cess, duty of customs, service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii) According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, National Housing Bank or debenture holders during the year.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations provided to us the Company has applied term loans for the purpose for which the loans were obtained.



- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its other officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The company is a Non-Banking Financial Institution; however, it has been exempted from the requirement of registration under section 45 IA of the Reserve Bank of India Act, 1934. Since, the Company is registered under National Housing Bank (NHB) Act, 1987 and regulated by the directions issued by the National Housing Bank.

**For CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Manish Sampat**  
Partner  
Membership No. 101684

Date : May 24, 2019  
Place : Mumbai



## **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GIC HOUSING FINANCE LIMITED**

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

We have audited the internal financial controls over financial reporting of GIC Housing Finance Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Opinion**

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 31, 2019, 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.

### **Management's Responsibility for Internal Financial Controls**

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 (ICAI)". 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 Act.

### **Auditor's Responsibility**

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.

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 financial statements, whether due to fraud or error.

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**

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 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 financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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.

**For CNK & Associates LLP**

Chartered Accountants

Firm Registration No.: 101961W/W-100036

**Manish Sampat**

Partner

Membership No. 101684

Date : May 24, 2019

Place : Mumbai





## NHB COMPLIANCE REPORT

To  
The Board of Directors,  
GIC Housing Finance Limited,  
Royal Insurance Bldg., 6<sup>th</sup> Floor,  
14, Jamsheedji Tata Road, Churchgate,  
Mumbai - 400020

Dear Sir,

**Ref: - Report under Housing Finance Companies - Auditor's Report (National Housing Bank) Directions, 2016**

Pursuant to Paragraph 2 & 3 of Housing Finance Companies - Auditor's Report (National Housing Bank) Directions, 2016 as specified in Notification No. NHB.HFC.AR DIR.1/MD&CEO/2016 dated 3<sup>rd</sup> February, 2017 and NHB (ND)/DRS/REG/MC-05/2018 dated July 2, 2018 in respect of GIC Housing Finance Ltd. (the "Company") for the year ended March 31, 2019.

### Management's Responsibility

The Management is responsible for the design and implementation of the internal procedures, systems, processes and controls to ensure compliance with the NHB Directions on an ongoing basis. This responsibility also includes reporting non-compliances, if any, to the National Housing Bank, Board of the Company and its Audit Committee.

### Auditors' Responsibility

Our responsibility is to report on the matters specified in Paragraph 3 of Housing Finance Companies - Auditors Report (National Housing Bank) Directions, 2016 based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether there are any identified non-compliances. An audit involves performing procedures to obtain audit evidence about the compliance with the NHB Directions. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the information and records, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's compliance with the NHB Directions in order to design audit procedures that are appropriate in the circumstances. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our certificate.

We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates issued for Special Purpose by the Institute of Chartered Accountants of India.

### Conclusion

Based on our examination of the books and records of the Company as produced for our examination and the information & explanations provided to us, we report that:

- i. The company had applied for registration as required under Section 29 A of the National Housing Bank Act, 1987 and has been granted the Certificate of Registration dated 7<sup>th</sup> May 2002.
- ii. The Company has complied with Net Owned Fund (NOF) requirement as prescribed under Section 29A of the National Housing Bank Act, 1987.
- iii. The Company has complied with Section 29 C of the National Housing Bank Act, 1987.
- iv. The Company has passed a resolution dated April 24, 2018 for non-acceptance of any public deposits.
- v. The Company has not accepted any public deposits during the year.
- vi. Total borrowings of the company i.e. amounts held by the Company which are referred in clauses (iii) to (vii) of sub-section 9(bb) of Section 45 I of the Reserve Bank of India Act, 1934 (2 of 1934) as also loans or other assistance from the National Housing Bank are within the limits prescribed in the NHB Directions.



- vii. The Company has complied with the provisions of NHB Directions.
- viii. The capital adequacy ratio as disclosed in the return submitted to the National Housing Bank has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio (CRAR) as prescribed by the National Housing Bank in the Directions.
- ix. The Company has filed the Schedule- II return as specified in the National Housing Bank Directions for the half year ending 31<sup>st</sup> March, 2018 & 30<sup>th</sup> September, 2018 respectively within the stipulated due dates.
- x. The Company has furnished Schedule-III return on Statutory Liquid Assets to the National Housing Bank within the stipulated period of time.
- xi. The Company has generally complied with requirements with respect to opening of new branches/service offices as specified under the National Housing Bank Directions.
- xii. The Company has complied with Para 38 & Para 38A of Housing Finance Companies (NHB) Directions, 2010.

**Restriction of use**

This report is issued pursuant to the requirement as per Paragraph 2 and 3 of the Directions and should not be used by any other person or for any other purpose. We neither accept nor assume any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

**For CNK & Associates LLP**  
Chartered Accountants  
Firm Registration No.: 101961W/W-100036

**Manish P. Sampat**  
Partner  
Membership No. 101684

Date : May 24, 2019  
Place : Mumbai



# BALANCE SHEET AS AT MARCH 31, 2019

₹ in Lakhs

Particulars	Note No.	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	3 (a)	4,850	5,380	5,877
Bank Balance other than Cash and Cash Equivalent	3 (b)	372	355	334
Loans	4	1,274,734	1,093,519	903,664
Investments	5	1,350	1,301	1,242
Other Financial Assets	6	1,284	1,172	964
<b>Total Financial Assets</b>		<b>1,282,590</b>	<b>1,101,727</b>	<b>912,081</b>
<b>Non-Financial Assets</b>				
Current Tax Assets (net)	7 (a)	1,414	585	417
Deferred Tax Assets (net)	7 (b)	12,051	11,754	9,190
Property, Plant and Equipment	8 (a)	284	207	230
Intangible Assets	8 (b)	-	-	-
Other Non-Financial Assets	9	406	410	425
<b>Total Non-Financial Assets</b>		<b>14,155</b>	<b>12,956</b>	<b>10,262</b>
<b>Total Assets</b>		<b>1,296,745</b>	<b>1,114,683</b>	<b>922,343</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>Financial liabilities</b>				
<b>Payables</b>	10			
-Trade Payable		1,157	619	577
(i) Total outstanding dues of micro enterprises and small enterprises		4	4	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,153	615	577
- Other Payable		-	-	-
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
Debt securities	11	124,076	93,786	83,838
Borrowings (other than debt securities)	12	1,041,787	904,620	739,845
Other Financial Liabilities	13	3,657	3,090	2,976
<b>Total Financial Liabilities</b>		<b>1,170,677</b>	<b>1,002,115</b>	<b>827,236</b>
<b>Non-Financial Liabilities</b>				
Provisions	14	668	731	649
<b>Total Non-Financial Liabilities</b>		<b>668</b>	<b>731</b>	<b>649</b>
<b>Total Liabilities</b>		<b>1,171,345</b>	<b>1,002,846</b>	<b>827,885</b>
<b>Equity</b>	15	5,388	5,388	5,388
Other Equity	16	120,012	106,449	89,070
<b>Total Equity</b>		<b>125,400</b>	<b>111,837</b>	<b>94,458</b>
<b>Total Liabilities and Equity</b>		<b>1,296,745</b>	<b>1,114,683</b>	<b>922,343</b>

Significant Accounting Policies

2

The accompanying notes form an integral part of the financial statement

As per our Report attached of even date

For and on behalf of The Board of Directors

**CNK & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No.101961W/W-100036

**Manish Sampat**

Partner

Membership No.101684

Place : Mumbai

Date : 24<sup>th</sup> May, 2019

**Alice G. Vaidyan**

Chairperson

DIN: 07394437

**Neera Saxena**

Managing Director & CEO

DIN: 08189646

**S. Sridharan**

Chief Financial Officer

(Sr.Vice President & Company Secretary)

**STATEMENT OF PROFIT AND LOSS** FOR YEAR ENDED MARCH 31, 2019

₹ in Lakhs			
Particulars	Note No.	For Year Ended March 31, 2019	For Year Ended March 31, 2018
<b>Revenue From Operations</b>			
Interest Income	17	122,211	110,273
Fees and Commission Income	18	267	536
Bad Debts Recovered	19	-	165
<b>Total Revenue From Operations</b>		<b>122,478</b>	<b>110,974</b>
Other Income	20	288	212
<b>Total Income</b>		<b>122,766</b>	<b>111,186</b>
<b>Expenses</b>			
Finance Costs	21	86,528	71,276
Loss on Derecognition of Financial Instruments (Net)	22	139	120
Impairment of Financial Instruments (Expected Credit Loss)	23	3,300	6,132
Employee Benefits Expenses	24	3,222	2,941
Depreciation and Amortisation Expenses	25	72	64
Others Expenses	26	4,799	3,224
<b>Total Expenses</b>		<b>98,060</b>	<b>83,757</b>
<b>Profit Before Tax</b>		<b>24,706</b>	<b>27,429</b>
Less: Tax Expense	27		
Current Tax		7,840	9,450
Deferred Tax (Net)		(315)	(2,585)
<b>Net Profit After Tax</b>		<b>17,181</b>	<b>20,564</b>
<b>Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
Remeasurement of Post Employment Benefit Obligations		(77)	17
Net Gain on equity instrument designated at FVOCI for the year		49	59
Income tax relating to items that will not be reclassified to profit or loss		(17)	(21)
<b>B. Items that will be reclassified to profit or loss</b>		-	-
<b>Other Comprehensive Income (A + B)</b>		<b>(45)</b>	<b>55</b>
<b>Total Comprehensive Income</b>		<b>17,136</b>	<b>20,619</b>
Earnings Per Equity Share (Face value of ₹ 10 per Share) (Refer Point no. 5 of Note 35)			
Basic (₹)		31.90	38.19
Diluted (₹)		31.90	38.19

Significant Accounting Policies

2

The accompanying notes form an integral part of the financial statement

As per our Report attached of even date

For and on behalf of The Board of Directors

**CNK & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No.101961W/W-100036

**Manish Sampat**

Partner

Membership No.101684

**Alice G. Vaidyan**

Chairperson

DIN: 07394437

**Neera Saxena**

Managing Director &amp; CEO

DIN: 08189646

Place : Mumbai

Date : 24<sup>th</sup> May, 2019**S. Sridharan**

Chief Financial Officer

(Sr.Vice President &amp; Company Secretary)



# STATEMENT OF CASH FLOW FOR YEAR ENDED MARCH 31, 2019

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
<b>A. Cash flow from Operating Activities :</b>		
Profit Before Tax	24,706	27,429
<b>Adjustments For :</b>		
Depreciation And Amortisation	72	64
Impairment of Financial Instruments (Expected Credit Loss)	3,300	6,132
Interest Income	(122,211)	(110,273)
Interest Expenses	86,528	71,277
(Profit)/Loss On Sale Of Fixed Assets (Net)	(3)	-
(Profit)/Loss On Sale Of Investments	(261)	(196)
Remeasurement of Post Employment Benefit Obligations	(77)	17
<b>Operating cash flow before working capital changes</b>	<b>(7,946)</b>	<b>(5,550)</b>
<b>Adjustments For :</b>		
(Increase)/Decrease in Other Financial and Non-Financial Assets	(130)	(5,652)
Increase/(Decrease) in Payables, Other Financial and Non-Financial Liabilities	1,042	239
<b>Cash Generated from Operations</b>	<b>(7,034)</b>	<b>(10,963)</b>
Interest Received	122,114	110,330
Interest Paid	(86,528)	(71,277)
Taxes Paid	(8,665)	(4,180)
<b>Net Cash From Operation</b>	<b>19,887</b>	<b>23,910</b>
Loan Disbursed (net)	(184,419)	(196,044)
<b>Net Cash used in Operating Activity (A)</b>	<b>(164,532)</b>	<b>(172,134)</b>
<b>B. Cash Flow from Investing Activities :</b>		
Purchase Of Fixed Assets	(153)	(48)
Sale of Fixed Assets	7	7
Purchase Of Investments	(959,209)	(760,238)
Sale Of Investments	959,470	760,434
<b>Net Cash Flow from Investing Activities (B)</b>	<b>115</b>	<b>155</b>
<b>C. Cash Flow from Financing Activities :</b>		
Proceeds From Debt Securities	785,986	606,972
Repayment of Debt Securities	(755,696)	(597,024)
Proceeds From Borrowings	373,728	279,772
Repayment of Borrowings	(236,560)	(114,997)
Dividend Paid On Equity Shares	(2,962)	(2,693)
Dividend Distribution Tax paid	(609)	(548)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>163,887</b>	<b>171,482</b>



₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(530)</b>	<b>(497)</b>
Cash and Cash Equivalents as at beginning of the year	5,380	5,877
<b>Cash and Cash Equivalents as at end of the year</b>	<b>4,850</b>	<b>5,380</b>
<b>Components Of Cash And Cash Equivalents</b>		
Cash On Hand	165	83
Balance With Bank		
- On Current Accounts	4,623	5,109
- Remittances in transit	62	188
<b>Total</b>	<b>4,850</b>	<b>5,380</b>

- a) The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard ("Ind AS 7") Statement of Cash Flows.
- b) Changes in Liabilities arising from Financing Activities

₹ in Lakhs

Particulars	April 01, 2018	Cash Flows	Others	March 31, 2019
Debt Securities	93,786	30,290	-	124,076
Borrowings other than Debt Securities	904,620	137,167	-	1,041,787
<b>Total Liability From Financing Activities</b>	<b>998,406</b>	<b>167,457</b>	<b>-</b>	<b>1,165,863</b>

₹ in Lakhs

Particulars	April 01, 2017	Cash Flows	Others	March 31, 2018
Debt Securities	83,838	9,948	-	93,786
Borrowings other than Debt Securities	739,845	164,776	(1)	904,620
<b>Total Liability From Financing Activities</b>	<b>823,683</b>	<b>174,724</b>	<b>(1)</b>	<b>998,406</b>

- c) Previous years figures have been regrouped/reclassified wherever applicable.

As per our Report attached of even date

For and on behalf of The Board of Directors

**CNK & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No.101961W/W-100036

**Manish Sampat**

Partner

Membership No.101684

Place : Mumbai

Date : 24<sup>th</sup> May, 2019

**Alice G. Vaidyan**

Chairperson

DIN: 07394437

**Neera Saxena**

Managing Director & CEO

DIN: 08189646

**S. Sridharan**

Chief Financial Officer

(Sr.Vice President & Company Secretary)



## STATEMENT OF CHANGES IN EQUITY

## a) Equity Share Capital:

₹ in Lakhs

Equity share of ₹ 10/- each issued, subscribed and fully paid	No. of Equity Shares	₹	Forfeited Shares (₹)	Total
At 1 <sup>st</sup> April, 2017	53,851,066	5,385	3	5,388
Changes in Equity Share Capital	-	-	-	-
At 31 <sup>st</sup> March, 2018	53,851,066	5,385	3	5,388
Changes in Equity Share Capital	-	-	-	-
At 31 <sup>st</sup> March, 2019	53,851,066	5,385	3	5,388

## b) Other Equity

₹ in Lakhs

Particulars	Reserves and Surplus				Other Comprehensive Income	Total
	Special Reserve	Securities Premium	General Reserve	Retained Earning		
Balance at 1 April 2017	34,764	11,699	39,363	3,244	-	89,070
Profit for the year	-	-	-	20,564	-	20,564
Transfer during the year	5,190	-	9,680	(14,870)	-	-
Dividends	-	-	-	(3,240)	-	(3,240)
Other Comprehensive Income for the year	-	-	-	-	55	55
At 31 March 2018	39,954	11,699	49,043	5,698	55	106,449
Profit for the year	-	-	-	17,181	-	17,181
Transfer during the year	4,670	-	11,000	(15,670)	-	-
Dividends	-	-	-	(3,573)	-	(3,573)
Other Comprehensive Income for the year	-	-	-	-	(45)	(45)
At 31 <sup>st</sup> March 2019	44,624	11,699	60,043	3,636	10	120,012

Significant Accounting Policies

2

The accompanying notes form an integral part of the financial statement

As per our Report attached of even date

For and on behalf of The Board of Directors

**CNK & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No.101961W/W-100036

**Manish Sampat**

Partner

Membership No.101684

Place : Mumbai

Date : 24<sup>th</sup> May, 2019**Alice G. Vaidyan**

Chairperson

DIN: 07394437

**Neera Saxena**

Managing Director &amp; CEO

DIN: 08189646

**S. Sridharan**

Chief Financial Officer

(Sr.Vice President &amp; Company Secretary)



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Note 1 Corporate information

GIC Housing Finance Limited ('the Company') is a Public Limited Company incorporated under the provisions of Companies Act, 1956 with its registered office in Mumbai to carry on the business of Housing Finance in India. The Company is registered with the National Housing Bank ("NHB"). Its shares are listed on two recognised Stock Exchanges in India.

## Note 2 Basis of Preparation and Presentation

### 2.1 Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as Ind-AS) and the provisions of Companies Act, 2013 ("the Act"). The Ind AS are prescribed under section 133 of the Act read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Financial Statements for the year ended March 31, 2019 are the first financials with comparatives, prepared under Ind AS. Effective April 1, 2018, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First Time adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from the Indian Accounting Principle generally accepted in India as prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). Refer Note 33 for an explanation of how the transition from previous GAAP to Ind AS has affected the Financial Position, Financial Performance and Cash Flows of the Company.

Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

The Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors in its meeting held on May 24<sup>th</sup>, 2019.

### 2.2 Basis of Accounting

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain Financial Assets and Liabilities are measured at fair value.
- Assets held for sale are measured at the lower of carrying value and fair value less costs to sell.
- Defined benefit plans where plan assets are measured at fair value.

### 2.3 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year.

The estimates and judgements used are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The management believes that the estimates used in the preparation of Financial Statements are prudent and reasonable.

### 2.4 Impairment of Financial Asset - ECL Model

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.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company's Expected Credit Loss ("ECL") model comprises of number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

1. The classification of loan portfolio into various stages based on the number of days overdue.
2. Value of collaterals considered for loan loss allowance.
3. The criteria for assessing if there has been a significant increase in credit risk.

### Note 2.5 Significant Accounting Policies

#### 1 Property, plant and equipment

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Direct costs are capitalised until the assets are ready for use and includes freight, duties, taxes and expenses incidental to acquisition and installation.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Losses arising from the retirement of, and gains or losses arising from disposal of Property, Plant and Equipment are recognised in the Statement of Profit and Loss.

Assets costing up to INR 5,000 are fully depreciated in the year of acquisition.

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') over the estimated useful lives of the assets specified in Schedule II of the Companies Act, 2013.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

**The estimated useful lives of Property, Plant and Equipment are as stated below:**

Office Equipment	5 years
Building	60 years
Furniture & Fixture	10 years
Vehicle	6 years
Computer Hardware	3 years

#### 2 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Intangible Assets are amortized on a straight line basis over their finite useful lives over the following period:

Computer Software - 6 years

#### 3 Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. For the purposes of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is

# NOTES FORMING PART OF FINANCIAL STATEMENTS

considered as a cash generating unit. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that previously assessed impairment loss no longer exists or may have decreased, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

## 4 Financial Instruments

Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial Assets and Financial Liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

## 5 Financial Assets

### 5.1 Classification of Financial Assets

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized Cost
- Fair Value through Other Comprehensive Income ("FVOCI")
- Fair Value through Profit and Loss ("FVTPL")

### 5.2 Amortized Cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) 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.

### 5.3 Fair Value through Other Comprehensive Income

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- (b) 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.

### 5.4 Fair Value through Profit and Loss

By default, all other financial assets are subsequently measured at fair value through profit and loss (FVTPL).

### 5.6 Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

## Effective interest rate method

Income is recognised on an effective interest rate basis for financial assets other than those financial assets classified as at FVTPL.

## Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss.

## 5.7 Impairment of Financial Assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables and other contractual rights to receive cash or other financial asset.

The Company uses expected credit loss ("ECL") allowance for financial assets measured at amortised cost, which are not individually significant, and comprise of a large number of homogeneous loans that have similar characteristics. The expected credit loss is a product of exposure at default, probability of default and loss given default. The Company has used past data to observe actual defaults and subsequent recovery from its portfolio for potential credit losses. The estimates from the above sources have been adjusted with forward looking inputs from anticipated change in future macro-economic conditions to comply with Ind AS 109. The forward looking macro-economic conditions based adjustment is driven through a multi linear regression model which forecasts systemic gross non-performing assets under baseline future economic scenarios.

The financial instruments are classified into Stage 1 - Standard Assets with zero to sixty days past due (DPD), Stage 2 - Significant Credit Deterioration or overdue for more than sixty days and Stage 3 - Default Assets with overdue for more than 90 days.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk (as represented by days past due status of the individual accounts) since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of financial assets in entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, is recognised in the statement of profit and loss.

## 6 Financial Liabilities and Equity Instruments

### Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

## 7 Employee Benefits

### Defined contribution plan:

Defined contribution plans include contributions to Employees' Pension Scheme and Employee State Insurance Scheme, recognized as employee benefit expenses in the Statement of Profit and Loss as and when the services are received from the employees.

### Defined benefit plans:

The Company contributes to Defined Benefit Plans comprising of Gratuity, Provident Fund and Compensated Absences.

## NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company has defined benefit plans namely - gratuity plan, provident fund plan and compensated absence plan, the calculation of which is performed annually by a qualified actuary using the projected unit credit method, and incremental liability, if any, is provided in the books.

Actuarial gains/ losses comprising of experience adjustment and the effects of changes in actuarial assumptions are recognized as income or expense (as applicable) in the Statement of Profit and Loss. The Company has formed a Provident Fund Trust for all employees and the same is administered by the trustees. For the purpose of gratuity, the Company has obtained a qualifying group gratuity insurance policy from Life Insurance Corporation of India.

### 8 Provisions and Contingent Liabilities

Provisions are recognised when there is 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 there is a reliable estimate of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

### 9 Revenue Recognition

#### Income on loans

Repayment of loans is by way of Equated Monthly Installments (EMI) comprising principal and interest. Interest income is recorded using the Effective Interest Rate (EIR) method.

EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. EMI commences once when the entire loan is disbursed. Pending Commencement of EMIs, Pre-EMI interest is payable every month."

"The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the asset. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges). Loan processing fees and admin fees are accounted for on effective interest basis.

#### Investment Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably).

Income from interest on deposits and interest bearing securities is recognized on the time proportionate method taking into account the amount outstanding and the rate applicable.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 10 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such items is disclosed separately as Exceptional items.

### 11 Leases

Assets acquired on lease where significant portions of the risk and rewards incidental to the ownership are retained by the lessors are classified as operating leases. Rental expenses on assets obtained under operating lease arrangements are recognized on a straight line basis as expense in the Statement of Profit and Loss over the lease term of respective lease arrangement, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms. Contingent rental payable is recognised as an expense in the period in which it is incurred.

### 12 Taxes

#### Current Tax

Current tax assets and liabilities for the current and prior years 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, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred Tax

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 tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. A deferred tax asset are reviewed at each balance sheet date and is written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

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 items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### 13 Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### 14 Segment Reporting

The segments have been identified taking into account the nature of the products / services, geographical locations, nature of risks and returns, internal organization structure and internal financial reporting system. The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 15 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 16 Dividend

Final dividend on equity shares are recorded as a liability on the date of the approval by the shareholders and interim dividend are recorded as liability on the date of declaration by the Company's Board of Directors.

### Note 2.6 Standards Issued but not yet effective/ Recent Accounting Pronouncements

#### 1 Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and **requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months**, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. **The Company is currently evaluating the effect of this amendment on the financial statements.**

#### 2 Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition - i) Full retrospective approach - Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019

The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. **The Company is currently evaluating the effect of this amendment on the financial statements.**



## NOTES FORMING PART OF FINANCIAL STATEMENTS

## Note 3

## (a) Cash and Cash Equivalents

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
(i) Cash on hand	165	83	42
(ii) Balances with bank			
- On Current Account	4,623	5,109	5,745
- Remittances in transit	62	188	90
<b>Total</b>	<b>4,850</b>	<b>5,380</b>	<b>5,877</b>

## (b) Bank Balance other than Cash and Cash Equivalents

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
(i) In Other Deposit Accounts			
- Original Maturity for more than 3 months	240	230	214
(ii) Earmarked balances with banks			
- Unclaimed Dividend Accounts	132	125	120
<b>Total</b>	<b>372</b>	<b>355</b>	<b>334</b>

## Note 4 Loans

## At Amortised Cost

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
(A) Loans			
Individuals	1,307,737	1,123,222	927,235
Non Individuals	335	335	335
<b>Total Gross (A)</b>	<b>1,308,072</b>	<b>1,123,557</b>	<b>927,570</b>
Less: Impairment Loss Allowance (Expected Credit Loss )	33,338	30,038	23,906
<b>Total Net (A)</b>	<b>1,274,734</b>	<b>1,093,519</b>	<b>903,664</b>
(B) (i) Secured by tangible assets	1,308,072	1,123,557	927,570
(ii) Unsecured	-	-	-
<b>Total Gross (B)</b>	<b>1,308,072</b>	<b>1,123,557</b>	<b>927,570</b>
Less: Impairment Loss Allowance (Expected Credit Loss )	33,338	30,038	23,906
<b>Total Net (B)</b>	<b>1,274,734</b>	<b>1,093,519</b>	<b>903,664</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### At Amortised Cost

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
(C) (I) Loans in India			
(i) Public Sector	-	-	-
(ii) Others	1,308,072	1,123,557	927,570
<b>Total Gross (C) (I)</b>	<b>1,308,072</b>	<b>1,123,557</b>	<b>927,570</b>
Less: Impairment Loss Allowance (Expected Credit Loss )	33,338	30,038	23,906
<b>Total Net (C) (I)</b>	<b>1,274,734</b>	<b>1,093,519</b>	<b>903,664</b>
(II) Loans outside India	-	-	-
Less: Impairment Loss Allowance (Expected Credit Loss )	-	-	-
<b>Total Net (C) (II)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Net (C) (I) and (II)</b>	<b>1,274,734</b>	<b>1,093,519</b>	<b>903,664</b>

### Note 4.1

(a) Loans given by the company are secured by one or combination of the following securities:

- Equitable mortgage of property and / or;
- Assignment of Life Insurance Policies and/or guarantee of solvent guarantors and/or any other acceptable collateral securities wherever applicable, and,
- Corporate Guarantees, wherever applicable.

(b) There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to the total outstanding asset is Nil (As At March 31, 2018 is Nil and As At April 1, 2017 is Nil).

### Note 4.2

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to home loans is, as follows:

₹ in Lakhs

Particulars	2018-2019				2017-2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance	1,052,523	43,352	27,682	1,123,557	866,943	38,762	21,866	927,571
New Assets Originated	321,662	2,580	3,095	327,337	337,394	3,327	2,602	343,323
Assets derecognised or repaid	(131,804)	(5,901)	(4,102)	(141,807)	(137,056)	(5,099)	(3,849)	(146,004)
(Transfers to Stage 1)/ from Stage 2 and Stage 3	15,762	(15,186)	(1,473)	(897)	16,680	(16,049)	(1,483)	(852)
(Transfers to Stage 2)/ from Stage 1 and Stage 3	(40,596)	41,706	(1,056)	54	(26,141)	27,369	(1,583)	(355)
(Transfers to Stage 3)/ from Stage 1 and Stage 2	(6,683)	(7,206)	13,717	(172)	(5,297)	(4,958)	10,129	(126)
<b>Gross Carrying amount Closing Balance</b>	<b>1,210,864</b>	<b>59,345</b>	<b>37,863</b>	<b>1,308,072</b>	<b>1,052,523</b>	<b>43,352</b>	<b>27,682</b>	<b>1,123,557</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

Reconciliation of Expected Credit Loss allowances balance is given below :

₹ in Lakhs

Particulars	2018-2019				2017-2018			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL Allowance								
Opening Balance	11,704	2,654	15,680	30,038	9,330	2,276	12,301	23,907
New Assets Originated	3,926	147	619	4,692	3,852	198	2,602	6,652
Assets derecognised or repaid	(1,543)	(819)	(820)	(3,182)	(1,283)	(181)	(770)	(2,234)
(Transfers to Stage 1)/from Stage 2 and Stage 3	239	(901)	(295)	(957)	227	(945)	(297)	(1,015)
(Transfers to Stage 2)/from Stage 1 and Stage 3	(534)	2,619	(211)	1,874	(348)	1,611	(316)	947
(Transfers to Stage 3)/from Stage 1 and Stage 2	(93)	(483)	1,449	873	(74)	(305)	2,160	1,781
ECL Allowance Closing Balance	13,699	3,217	16,422	33,338	11,704	2,654	15,680	30,038

### Note 5 Investments

₹ in Lakhs

Particulars	As At March 31, 2019			As At March 31, 2018			As At April 01, 2017		
	Amor- tised Cost	At Fair Value Through Other Compre- hensive Income	Total	Amor- tised Cost	At Fair Value Through Other Compre- hensive Income	Total	Amor- tised Cost	At Fair Value Through Other Compre- hensive Income	Total
Equity instruments	-	1,350	1,350	-	1,301	1,301	-	1,242	1,242
Debt securities	-	-	-	-	-	-	-	-	-
<b>Total Gross (A)</b>	-	<b>1,350</b>	<b>1,350</b>	-	<b>1,301</b>	<b>1,301</b>	-	<b>1,242</b>	<b>1,242</b>
(i) Investments outside India	-	-	-	-	-	-	-	-	-
(ii) Investments in India	-	1,350	1,350	-	1,301	1,301	-	1,242	1,242
<b>Total (B)</b>	-	<b>1,350</b>	<b>1,350</b>	-	<b>1,301</b>	<b>1,301</b>	-	<b>1,242</b>	<b>1,242</b>
Less: Impairment Loss Allowance (Expected Credit Loss ) (C)	-	-	-	-	-	-	-	-	-
<b>Total - Net (D)= (A)-(C)</b>	-	<b>1,350</b>	<b>1,350</b>	-	<b>1,301</b>	<b>1,301</b>	-	<b>1,242</b>	<b>1,242</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 6 Other Financial Assets**

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Security Deposit - Unsecured; considered good	242	216	194
Staff Loans - Secured; considered good	816	778	621
Advances recoverable in cash or in kind or for value to be received	217	173	143
Advances To Employees	9	5	6
<b>Total</b>	<b>1,284</b>	<b>1,172</b>	<b>964</b>

**Note 7****(a) Current Tax Assets (Net)**

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Advance Tax (Net of Provision for Taxation of ₹ 53,581 Lakhs, ₹ 45,741 Lakhs As At March 31 <sup>st</sup> , 2018 and ₹ 36,291 Lakhs As At April 01, 2017 )	1,414	585	417
<b>Total</b>	<b>1,414</b>	<b>585</b>	<b>417</b>

**(b) Deferred Tax Assets (Net)**

The major components of Deferred Tax Assets and Liabilities are :

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
<b>Deferred Tax Assets:</b>			
Provision for Expected Credit Loss	10,719	10,496	8,274
Provision for Employee Benefits	233	255	224
Depreciation and Amortization	46	47	44
Others	663	424	39
Adjustment to profit as per Provision of ICDS	-	-	-
On Account of Ind As Adjustments as per EIRR Method	279	404	460
Fair Valuation of Investments	111	128	149
<b>Total (A)</b>	<b>12,051</b>	<b>11,754</b>	<b>9,190</b>
Deferred Tax Liabilities	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Asset/ (Liability) (net) (A-B)</b>	<b>12,051</b>	<b>11,754</b>	<b>9,190</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

## Movement in Deferred Tax Assets

₹ in Lakhs

Particulars	As At April 1, 2018	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2019
Provision for Expected Credit Loss	10,496	223	-	10,719
Provision for Employee Benefits	255	(22)	-	233
Depreciation and Amortization	47	(1)	-	46
Others	424	239	-	663
On Account of Ind As Adjustments as per EIRR Method	404	(125)	-	279
Fair Valuation of Investments	128	-	(17)	111
<b>Total</b>	<b>11,754</b>	<b>314</b>	<b>(17)</b>	<b>12,051</b>

₹ in Lakhs

Particulars	As At April 1, 2017	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	As At March 31, 2018
Provision for Expected Credit Loss	8,274	2,222	-	10,496
Provision for Employee Benefits	224	31	-	255
Depreciation and Amortization	44	3	-	47
Others	39	385	-	424
On Account of Ind As Adjustments as per EIRR Method	460	(56)	-	404
Fair Valuation of Investments	149	-	(21)	128
<b>Total</b>	<b>9,190</b>	<b>2,585</b>	<b>(21)</b>	<b>11,754</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Note 8

#### (a) Property, Plant and Equipment

Particulars	Buildings	Furniture and Fittings	Office Equipment	Air Conditioners	Computers	Vehicles	Total
As at 01.04.2017							
Gross Block	263	210	143	87	503	103	1,309
Accumulated Depreciation	179	189	130	71	455	55	1,079
Deemed Cost as at 01.04.2017*	84	21	13	16	48	48	230
Additions	-	2	1	2	22	20	47
Sale/ Capitalised	-	-	-	-	-	(8)	(8)
As at 31.03.2018	84	23	14	18	70	60	269
Additions	-	12	5	9	69	58	153
Disposals	-	-	-	-	(1)	(4)	(5)
As at 31.03.2019	84	35	19	27	138	114	417
Accumulated Depreciation							
As at 01.04.2017*	-	-	-	-	-	-	-
Additions	4	6	3	8	24	19	64
Disposals	-	-	-	-	-	(2)	(2)
As at 31.03.2018	4	6	3	8	24	(17)	62
Additions	4	9	3	6	26	24	72
Disposals	-	-	-	-	-	(1)	(1)
As at 31.03.2019	8	15	6	14	50	40	133
Net Block							
As at 01.04.2017*	84	21	13	16	48	48	230
As at 31.03.2018	80	17	11	10	46	43	207
As at 31.03.2019	76	20	13	13	88	74	284

\* At deemed cost as per IND-AS 101. Refer Note 33 for further details.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

## (b) Intangible Assets

Particulars	Application Software	Total
<b>As at 01.04.2017</b>		
Gross Block	292	292
Accumulated Amortisation	292	292
Deemed Cost as at 01.04.2017*	-	-
Additions	-	-
Sale/ Capitalised	-	-
<b>As at 31.03.2018</b>	-	-
Additions	-	-
Disposals	-	-
<b>As at 31.03.2019</b>	-	-
Accumulated Amortisation	-	-
<b>As at 01.04.2017*</b>	-	-
Additions	-	-
Disposals	-	-
<b>As at 31.03.2018</b>	-	-
Additions	-	-
Disposals	-	-
<b>As at 31.03.2019</b>	-	-
Net Block	-	-
<b>As at 01.04.2017*</b>	-	-
<b>As at 31.03.2018</b>	-	-
<b>As at 31.03.2019</b>	-	-

\*At deemed cost as per IND-AS 101. Refer Note 33 for further details.

## Note 9 Other Non Financial Assets

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Prepaid Expenses - Unsecured ; Considered Good	406	410	425
<b>Total</b>	<b>406</b>	<b>410</b>	<b>425</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 10 Payables**

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
<b>Trade Payables</b>			
Total Outstanding dues of micro enterprises and small enterprises	4	4	-
Total Outstanding dues of creditors other than micro enterprise and small enterprises	1,153	615	577
<b>Other Payables</b>			
Total Outstanding dues of micro enterprises and small enterprises	-	-	-
Total Outstanding dues of creditors other than micro enterprise and small enterprises	-	-	-
<b>Total</b>	<b>1,157</b>	<b>619</b>	<b>577</b>

“10.1. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management and confirmation sought from suppliers on registration with specified authority under MSMED, principal amount, interest accrued and remaining unpaid and interest paid during the year to such enterprise is as follows”

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;"	4	4	-
b) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-	-
c) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-	-
<b>Total</b>	<b>4</b>	<b>4</b>	<b>-</b>



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Note 11 Debt Securities - At Amortised Cost

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
I) Secured			
Non Convertible Debentures ( Note 11.1 and 11.2 )	-	4,500	4,500
II) Unsecured			
Commercial Paper (Note 11.2)			
- Gross	125,000	90,000	80,000
- Less : Discount not written off	924	714	662
Net (II)	124,076	89,286	79,338
<b>Total (A) (I + II)</b>	<b>124,076</b>	<b>93,786</b>	<b>83,838</b>
Debt Securities in India	124,076	93,786	83,838
Debt Securities outside India	-	-	-
<b>Total (B)</b>	<b>124,076</b>	<b>93,786</b>	<b>83,838</b>

11.1 These Non convertible debentures are Secured by way of first charge on book-debts equivalent to loan outstanding and mortgage on Immovable Property.

11.2 Terms of repayment & rate of interest in case of Debt Securities.

**Non-Convertible Debentures (NCDs) at Face Value repayable at par :**

₹ in Lakhs

Rate of Interest	Maturity Date	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
8.65%	23-Apr-18	-	4,500	4,500
	<b>Total</b>	<b>-</b>	<b>4,500</b>	<b>4,500</b>

**Commercial Paper at Face Value repayable at par :**

₹ in Lakhs

Rate of Interest	Maturity Date	As At March 31, 2019	As At March 31, 2018	As At April 1, 2017
6.90%	21-Apr-17	-	-	12,500
6.95%	12-May-17	-	-	15,000
7.00%	5-May-17	-	-	10,000
6.62%	26-May-17	-	-	10,000
6.98%	19-May-17	-	-	17,500
6.62%	9-Jun-17	-	-	10,000
6.60%	2-Jun-17	-	-	5,000
7.75%	13-Apr-18	-	20,000	-
7.75%	27-Apr-18	-	15,000	-
7.75%	11-May-18	-	15,000	-
7.40%	25-May-18	-	10,000	-
7.32%	8-Jun-18	-	15,000	-
7.68%	18-May-18	-	15,000	-
7.90%	5-Apr-19	20,000	-	-
7.70%	10-May-19	15,000	-	-
7.65%	12-Apr-19	10,000	-	-
7.65%	26-Apr-19	20,000	-	-
7.79%	17-May-19	20,000	-	-
7.76%	24-May-19	20,000	-	-
7.64%	30-May-19	20,000	-	-
<b>Total</b>		<b>125,000</b>	<b>90,000</b>	<b>80,000</b>



**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 12 Borrowings ( Other than Debt Securities ) - At Amortised Cost**

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
<b>Secured</b>			
<b>Term Loans ( Note 12.2 , 12.3 and 12.4 )</b>			
- From Banks	797,995	608,093	451,132
- From National Housing Bank	235,792	287,527	268,313
- From Insurance Companies	8,000	9,000	10,000
<b>Unsecured</b>			
<b>Other Loans</b>			
- From Banks (Note 12.3 and 12.4 )	-	-	10,400
<b>Total (A)</b>	<b>1,041,787</b>	<b>904,620</b>	<b>739,845</b>
Borrowings in India	1,041,787	904,620	739,845
Borrowings Outside India	-	-	-
<b>Total (B)</b>	<b>1,041,787</b>	<b>904,620</b>	<b>739,845</b>

12.1 There is no Amount of continuing default as on the Balance Sheet date in Terms of Repayment of loans & interest on Borrowings of the Company.

12.2 The Above Term Loans are Secured by way of first charge on book-debts equivalent to loan outstanding.

**Note 12.3**

**Terms of repayment in case of Borrowings( Other than Debt Securities ) :**

**A. Banks**

₹ in Lakhs

Particulars	Terms of repayment	As At March 31,2019	As At March 31,2018	As At April 01,2017
<b>Secured</b>				
HSBC	Annual repayment of 2,500 Lakhs after 2 years from disbursement date i.e. repayment from April-19 Over 4 years	10,000	10,000	-
HSBC	Annual repayment of 2,500 Lakhs after 2 years from disbursement date i.e. repayment from July-19 Over 4 years	10,000	10,000	-
Bank of India	Annual repayment of 6,250 Lakhs after 2 years from disbursement date i.e. repayment from July-20 Over 8 years	50,000	8,600	-
HDFC Bank	Semi annually repayment of 3,000 Lakhs from disbursement date i.e. repayment from March 2018 Over 5 years	21,000	5,400	-
ICICI Bank	Annual repayment of 5,000 Lakhs repayment from Sep-18 Over 5 years	20,000	25,000	-
ICICI Bank	Annual repayment of 5,000 Lakhs repayment from Nov-18 Over 5 years	20,000	25,000	-



## NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Terms of repayment	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Karnataka Bank	Annual repayment of 6,000 Lakhs repayment from Sep-19 Over 5 years	29,999	29,999	-
Union Bank of India	Bullet repayment in September-20	500	500	-
Allahabad Bank	Annual repayment of 8,000 Lakhs repayment from Dec-19 Over 5 years	39,998	33,000	-
Catholic Syndicate Bank	Annual repayment of 1,429 Lakhs repayment from Oct-19 Over 7 years	10,000	10,000	-
Federal Bank	Semi annually repayment of 2,083.33 Lakhs repayment from June 19 Over 6 years	24,999	21,200	-
State Bank of India (Formerly Known as Bhartiya Mahila Bank)	Annual repayment of 625 Lakhs repayment from June-17 Over 8 years	3,707	4,375	5,000
State Bank of India (Formerly Known as Bhartiya Mahila Bank)	Annual repayment of 1,000 Lakhs repayment from March-19 Over 5 years	4,000	5,000	5,000
Bank of Baroda	Annual repayment of 3,333.33 Lakhs repayment from March-14 Over 9 years	10,000	13,333	16,667
HDFC Bank	Annual repayment of 4,285.71 Lakhs repayment from July-17 Over 7 years	21,429	25,714	30,000
HDFC Bank	Annual repayment of 1,428.57 Lakhs repayment from Mar-17 Over 7 years	5,714	7,143	8,571
HDFC Bank	Annual repayment of 1,428.57 Lakhs repayment from June-17 Over 7 years	7,143	8,571	10,000
ICICI Bank	Annual repayment of 4,000 Lakhs repayment from Jan-18 Over 5 years	12,000	16,000	20,000
ICICI Bank	Annual repayment of 5,000 Lakhs repayment from Oct-17 Over 5 years	15,000	20,000	25,000
ICICI Bank	Annual repayment of 4,000 Lakhs repayment from Oct-17 Over 5 years	12,000	16,000	20,000
J & K Bank	Annual repayment of 2,000 Lakhs repayment from Mar-19 Over 5 years	7,999	10,000	8,800
J & K Bank	Annual repayment of 1,0000 Lakhs repayment from Oct-18 Over 5 years	39,998	49,999	50,000
Karnataka Bank	Annual repayment of 2,857 Lakhs repayment from June-18 Over 7 years	17,141	19,999	19,999
Kotak Mahindra Bank	Annual repayment of 1,250 Lakhs repayment from Mar-15 Over 8 years	3,750	5,000	6,250
Kotak Mahindra Bank	Annual repayment of 937.50 Lakhs repayment from Mar-15 Over 8 years	3,750	4,687	5,625

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## NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Terms of repayment	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Kotak Mahindra Bank	Annual repayment of 1,812.50 Lakhs repayment from Jul-16 Over 8 years	9,062	10,875	12,687
Kotak Mahindra Bank	Annual repayment of 428.57 Lakhs repayment from Jul-17 Over 7 years	2,143	2,571	3,000
Kotak Mahindra Bank	Annual repayment of 1,250 Lakhs repayment from Sep-17 Over 8 years	7,500	8,750	10,000
State Bank of India ( Formerly Known as State Bank of Bikaner and Jaipur )	Annual repayment of 1,250 Lakhs repayment from Sep-16 Over 8 years	6,249	7,499	8,749
State Bank of India	Annual repayment of 7,500 Lakhs repayment from Sep-17 Over 6 years	30,000	37,500	44,999
State Bank of India	Annual repayment of 8,333.33 Lakhs repayment from Dec-17 Over 6 years	33,303	41,636	49,970
State Bank of India	Annual repayment of 25,000 Lakhs repayment from August-18 Over 3 years	33,500	58,500	24,700
United Bank of India	Annual repayment of 2,500 Lakhs repayment from Sep-12 Over 8 years	2,495	4,996	7,496
Union Bank of India	Annual repayment of 6,250 Lakhs repayment from Mar-20 Over 8 years	49,996	49,998	50,000
United Bank of India	Annual repayment of 1,750 Lakhs repayment from Sep-10 Over 8 years	-	-	1,747
Vijaya Bank	Annual repayment of 2,500 Lakhs repayment from Aug-15 Over 4 years	-	-	4,999
United Bank of India	Annual repayment of 625 Lakhs repayment from Mar-13 Over 8 years	622	1,248	1,873
Canara Bank	Annual repayment of 12,500 Lakhs repayment from July-20 Over 4 years	50,000	-	-
Allahabad Bank	Annual repayment of 10,000 Lakhs repayment from August -20 Over 5 years	49,998	-	-
Bank of India	Annual repayment of 6,250 Lakhs repayment from Dec-21 Over 8 years	25,000	-	-
Central Bank of India	Annual repayment of 6,250 Lakhs repayment from Dec-21 Over 8 years	23,500	-	-
Canara Bank	Annual repayment of 6,250 Lakhs repayment from Mar-21 Over 4 years	5,000	-	-
Corporation Bank	Annual repayment of 6,250 Lakhs repayment from Mar-22 Over 8 years	24,500	-	-
United Bank of India	Annual repayment of 3,333.33 Lakhs repayment from Mar-21 Over 6 years	5,000	-	-
Allahabad Bank	Annual repayment of 8,000 Lakhs repayment from Dec-20 Over 5 years	40,000	-	-



# NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Terms of repayment	As At March 31,2019	As At March 31,2018	As At April 01,2017
Unsecured				
Hdfc Bank	Repayable on Demand	-	-	1,250
Bank of India	Repayable on Demand	-	-	4,150
Corporation Bank	Repayable on Demand	-	-	5,000
<b>Total</b>		<b>797,995</b>	<b>608,093</b>	<b>461,532</b>

## B. NHB

₹ in Lakhs

Particulars	Terms of repayment	As At March 31,2019	As At March 31,2018	As At April 01,2017
<b>Secured</b>				
NHB Regular	27 Quarterly repayment of 555.56 Lakhs repayment from Dec-12	-	2,778	5,000
NHB Regular	27 Quarterly repayment of 370.38 Lakhs repayment from June-13	1,111	2,592	4,074
NHB Regular	27 Quarterly repayment of 185.19 Lakhs repayment from June-13	555	1,296	2,037
NHB Regular	27 Quarterly repayment of 462.97 Lakhs repayment from June-13	1,389	3,241	5,092
NHB Regular	27 Quarterly repayment of 185.2 Lakhs repayment from Sep-13	740	1,481	2,222
NHB Regular	27 Quarterly repayment of 93 Lakhs repayment from Sep-13	361	733	1,105
NHB Regular	39 Quarterly repayment of 65 Lakhs repayment from Mar-14	-	1,395	1,655
NHB Regular	39 Quarterly repayment of 770 Lakhs repayment from Mar-15	16,910	19,990	23,070
NHB Urban	27 Quarterly repayment of 296.3 Lakhs repayment from June-19	8,000	-	-
NHB Regular	39 Quarterly repayment of 307.7 Lakhs repayment from June-19	12,000	-	-
NHB Rural	27 Quarterly repayment of 93 Lakhs repayment from Oct-10	-	-	128
NHB Rural	27 Quarterly repayment of 186 Lakhs repayment from Mar-11	-	-	350
NHB Rural	27 Quarterly repayment of 3 Lakhs repayment from Mar-11	-	-	4
NHB Rural	27 Quarterly repayment of 186 Lakhs repayment from Mar-11	-	-	536
NHB Rural	27 Quarterly repayment of 114.9 Lakhs repayment from Sep-11	-	-	457

# NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Terms of repayment	As At March 31,2019	As At March 31,2018	As At April 01,2017
NHB Rural	27 Quarterly repayment of 70.4 Lakhs repayment from Sep-11	-	-	281
NHB Regular	27 Quarterly repayment of 92.6 Lakhs repayment from Dec-11	-	92	463
NHB Regular	27 Quarterly repayment of 92.6 Lakhs repayment from Dec-11	-	92	463
NHB Regular	27 Quarterly repayment of 95 Lakhs repayment from Dec-11	-	30	410
NHB Regular	27 Quarterly repayment of 520 Lakhs repayment from Dec-11	-	480	2,560
NHB Rural	39 Quarterly repayment of 38.5 Lakhs repayment from Dec-15	961	1,115	1,269
NHB Rural	39 Quarterly repayment of 12.85 Lakhs repayment from Dec-15	320	371	423
NHB Rural	39 Quarterly repayment of 102.6 Lakhs repayment from Sep-15	2,461	2,871	3,282
NHB Rural	39 Quarterly repayment of 21 Lakhs repayment from Mar-16	527	611	695
NHB Rural	39 Quarterly repayment of 18 Lakhs repayment from Mar-16	466	538	610
NHB Regular	39 Quarterly repayment of 385 Lakhs repayment from Sep-15	9,225	10,765	12,305
NHB Regular	39 Quarterly repayment of 520 Lakhs repayment from Sep-15	12,200	14,280	16,360
NHB Regular	39 Quarterly repayment of 195 Lakhs repayment from Dec-15	4,770	5,550	6,330
NHB Regular	39 Quarterly repayment of 193 Lakhs repayment from Mar-16	-	5,763	6,535
NHB Regular	39 Quarterly repayment of 193 Lakhs repayment from Mar-16	-	5,763	6,535
NHB Regular	39 Quarterly repayment of 128.21 Lakhs repayment from Mar-16	3,333	3,846	4,359
NHB Regular	39 Quarterly repayment of 193 Lakhs repayment from Mar-16	-	5,763	6,535
NHB Regular	39 Quarterly repayment of 193 Lakhs repayment from Mar-16	-	5,763	6,535
NHB Regular	39 Quarterly repayment of 257 Lakhs repayment from Mar-16	-	7,687	8,715
NHB Rural	39 Quarterly repayment of 72 Lakhs repayment from June-16	1,936	2,224	2,512
NHB Rural	39 Quarterly repayment of 25.65 Lakhs repayment from June-16	692	795	897



## NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Terms of repayment	As At March 31,2019	As At March 31,2018	As At April 01,2017
NHB Rural	39 Quarterly repayment of 30.77 Lakhs repayment from June-16	831	954	1,077
NHB Regular	39 Quarterly repayment of 384.65 Lakhs repayment from Sep-16	10,769	12,307	13,846
NHB Regular	39 Quarterly repayment of 384.70 Lakhs repayment from Sep-16	10,768	12,307	13,846
NHB Regular	39 Quarterly repayment of 128.30 Lakhs repayment from Sep-16	-	4,102	4,615
NHB Rural	39 Quarterly repayment of 77 Lakhs repayment from Sep-16	2,153	2,461	2,769
NHB Rural	39 Quarterly repayment of 51.29 Lakhs repayment from Sep-16	1,436	1,641	1,846
NHB Regular	39 Quarterly repayment of 718 Lakhs repayment from Dec-16	20,820	23,692	26,564
NHB Regular	39 Quarterly repayment of 462 Lakhs repayment from Dec-16	13,380	15,228	17,076
NHB Rural	39 Quarterly repayment of 103 Lakhs repayment from Dec-16	2,970	3,382	3,794
NHB Rural	39 Quarterly repayment of 154 Lakhs repayment from Mar-17	4,614	5,230	5,846
NHB Rural	39 Quarterly repayment of 38.5 Lakhs repayment from June-17	1,192	1,346	1,500
NHB Regular	39 Quarterly repayment of 512.83 Lakhs repayment from Mar-17	15,385	17,436	19,487
NHB Regular	39 Quarterly repayment of 257 Lakhs repayment from Mar-17	-	8,715	9,743
NHB Regular	39 Quarterly repayment of 257 Lakhs repayment from June-17	7,944	8,972	10,000
NHB Regular	39 Quarterly repayment of 64.20 Lakhs repayment from June-17	1,986	2,243	2,500
NHB Regular	39 Quarterly repayment of 424 Lakhs repayment from Sep-17	-	15,228	-
NHB Regular	39 Quarterly repayment of 167 Lakhs repayment from Sep-17	-	5,999	-
NHB Urban	39 Quarterly repayment of 257 Lakhs repayment from Sep-17	8,201	9,229	-
NHB Rural	39 Quarterly repayment of 218 Lakhs repayment from Sep-17	6,974	7,846	-
NHB Rural	39 Quarterly repayment of 89.75 Lakhs repayment from Oct-17	2,872	3,232	-
NHB Rural	39 Quarterly repayment of 244 Lakhs repayment from June-18	8,524	9,500	-

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## NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Terms of repayment	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
NHB Urban	39 Quarterly repayment of 128.5 Lakhs repayment from June-18	4,486	5,000	-
NHB Urban	27 Quarterly repayment of 185.2 Lakhs repayment from Sep-18	4,444	-	-
NHB Urban	27 Quarterly repayment of 314 Lakhs repayment from Sep-18	7,523	-	-
NHB Regular	59 Quarterly repayment of 170 Lakhs repayment from Sep-18	9,490	-	-
NHB Regular	59 Quarterly repayment of 143.5 Lakhs repayment from Sep-18	8,033	-	-
NHB Rural	27 Quarterly repayment of 133 Lakhs repayment from June-18	3,040	3,572	-
<b>Total</b>		<b>235,792</b>	<b>287,527</b>	<b>268,313</b>

## C. Insurance Companies

₹ in Lakhs

Particulars	Terms of repayment	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
<b>Secured</b>				
Sbi Life Insurance Co Ltd.	Annual repayment of 875 Lakhs repayment from July-19 Over 8 years	7,000	7,000	7,000
Kotak Mahindra Life Insurance Co. Ltd	Annual repayment of 1,000 Lakhs repayment from Dec-15 Over 5 years	1,000	2,000	3,000
<b>Total</b>		<b>8,000</b>	<b>9,000</b>	<b>10,000</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Note -12.4

#### Maturity Profile and Rate of Interest in case of Borrowings ( Other than Debt Securities )

Particulars	As at March 31 <sup>st</sup> , 2019				As At March 31, 2018				As At April 01, 2017			
	Banks ( 8.19% - 9.25%)	Insurance Companies (8.45%)	National Housing Bank ( 4.61% - 9.70%)	Banks ( 7.70% - 8.45%)	Insurance Companies (7.75% - 7.80%)	National Housing Bank ( 4.86% - 9.15%)	Banks ( 8.10% - 9.15%)	Insurance Companies (7.85% - 9.00%)	National Housing Bank ( 6.00% to 9.90%)			
Upto 1 Years	137,684	1,875	27,931	106,245	1,000	32,254	64,636	1,000	30,549			
Over 1 year to 3 years	330,381	1,750	64,376	250,500	2,750	75,903	165,133	2,875	71,432			
Over 3 to 5 years	239,728	1,750	64,110	191,866	1,750	69,338	137,940	1,750	56,315			
Over 5 to 7 years	71,457	2,625	54,050	45,558	1,750	68,158	70,342	1,750	55,948			
Over 7 Years	18,745	-	25,325	13,924	1,750	41,874	23,481	2,625	54,069			
<b>Total</b>	<b>797,995</b>	<b>8,000</b>	<b>235,792</b>	<b>608,093</b>	<b>9,000</b>	<b>287,527</b>	<b>461,532</b>	<b>10,000</b>	<b>268,313</b>			



**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 13 Other Financial Liabilities**

₹ in Lakhs

Loans	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Interest Accrued But Not Due on Debt Securities	-	365	366
Unpaid Dividends ( Note 13.1 )	132	125	120
Others			
- Trade Liabilities	3,347	2,497	2,424
- Staff Dues	-	-	-
- Statutory Dues	178	103	66
<b>Total</b>	<b>3,657</b>	<b>3,090</b>	<b>2,976</b>

13.1 As Required under Section 125 of the Companies Act 2013, The Company has transferred ₹ 17.69 Lakhs (Previous Year ₹ 12.66 Lakhs) to Investor Education and Protection Fund (IEPF) during the year. As of March 31, 2019, no amount was due for transfer to the IEPF.

**Note 14 Provisions**

₹ in Lakhs

Provisions	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Employee Benefits			
- Leave Encashment (Unfunded)	397	363	362
- Gratuity (Funded)	271	368	287
<b>Total</b>	<b>668</b>	<b>731</b>	<b>649</b>

**Note 15 Equity****Equity Share Capital**

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
<b>AUTHORISED CAPITAL :</b>			
<b>Equity Shares</b>	15,000	15,000	15,000
15,00,00,000 Equity shares of ₹ 10 each			
(PY 2017-18: 15,00,00,000 Equity shares of ₹ 10 each and PY 2016-17: 15,00,00,000 Equity shares of ₹ 10 each)			
	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>			
5,38,51,066 Equity shares of ₹ 10 each	5,385	5,385	5,385
(PY 2017-18: 5,38,51,066 Equity Shares of ₹ 10 each and PY 2016-17: 5,38,51,066 Equity Shares of ₹ 10 each)			
<b>Add: Forfeited Shares</b>	3	3	3
(Refer Note 15.4)			
<b>Total</b>	<b>5,388</b>	<b>5,388</b>	<b>5,388</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 15.1 :****Reconciliation of the number of shares outstanding**

Particulars	As At March 31, 2019		As At March 31, 2018		As At April 01, 2017	
	No of Shares	Amount (₹ in Lakhs)	No of Shares	Amount (₹ in Lakhs)	No of Shares	Amount (₹ in Lakhs)
Shares outstanding at the beginning of the year	53,851,066	5,385	5,38,51,066	5,385	5,38,51,066	5,385
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	53,851,066	5,385	5,38,51,066	5,385	5,38,51,066	5,385

**Note 15.2 :****Terms/ Rights attached to equity shares**

The company has only one class of Equity shares having par value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.

The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

In the event of Liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts.

However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 15.3 :****Details of Shareholders holding more than 5% shares in Company**

Name of Shareholders	As At March 31, 2019		As At March 31, 2018		As At April 01, 2017	
	No of Shares Held	% of Holding	No of Shares Held	% of Holding	No of Shares Held	% of Holding
General Insurance Corporation of India	8,218,802	15.26	82,18,802	15.26	8,218,802	15.26
The New India Assurance Company Limited	4,656,913	8.65	45,94,204	8.53	4,594,204	8.53
United India Insurance Company Limited	3,956,000	7.35	39,56,000	7.35	3,956,000	7.35
Life Insurance Corporation of India	30,50,250	5.66	30,50,250	5.66	-	-
The Oriental Insurance Company Limited	2,975,024	5.52	29,75,024	5.52	2,975,024	5.52
National Insurance Company Limited	3,030,100	5.63	29,57,098	5.49	2,957,098	5.49



## NOTES FORMING PART OF FINANCIAL STATEMENTS

**Note 15.4 :** The Company has forfeited 53,800 Equity Shares on which amount originally paid up is ₹ 269,000

**Note 15.5 :**

The Company has not allotted any share pursuant to contracts without payment being received in cash or as bonus shares nor has it bought back any shares during the preceding period of 5 financial years.

**Note 16 Other Equity**

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
<b>Special Reserve</b>			
1. In terms of Section 29C(1) of the National Housing Bank Act, 1987			
Balance at the beginning of the year	456	456	456
Add : Transferred during the year	-	-	-
Balance at the end of the year	456	456	456
2. In terms of Section 36(1)(viii) of the Income tax Act, 1961			
Balance at the beginning of the year	39,498	34,308	34,308
Add : Transferred during the year	4,670	5,190	-
Balance at the end of the year	44,168	39,498	34,308
<b>Securities Premium</b>			
Balance at the beginning of the year	11,699	11,699	11,699
Add : Transferred during the year	-	-	-
Balance at the end of the year	11,699	11,699	11,699
<b>General Reserve</b>			
Balance at the beginning of the year	49,043	39,363	28,727
Add : Transferred during the year	11,000	9,680	-
Add/ (Less):- Adjustment to retained earnings due to adoption of Ind AS	-	-	10,636
Balance at the end of the year	60,043	49,043	39,363
<b>Surplus In Statement Of Profit And Loss</b>			
Balance at the beginning of the year	5,753	3,244	3,244
Profit for the Year	17,136	20,619	-
Amount available for Appropriations	22,889	23,863	3,244
<b>Appropriations</b>			
Transferred to General Reserve	(11,000)	(9,680)	-
Transferred to Special Reserve	(4,670)	(5,190)	-
Dividend	(2,963)	(2,692)	-
Dividend Distribution Tax	(610)	(548)	-
Balance at the end of the year	3,646	5,753	3,244
<b>Total</b>	<b>120,012</b>	<b>106,449</b>	<b>89,070</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 16.1 :**

- a) As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer atleast 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer.
- b) The Company has transferred an amount of ₹ 4,670 Lakhs (PY 2017-18: ₹ 5,190 Lakhs ) to Special Reserve in terms of Section 36(1)(viii) of the Income Tax Act, 1961.
- c) The Company has paid dividend of ₹ 5.5/- per share on the equity shares of face value of ₹ 10/- each pertaining to FY 2017-18, post approval by the members in the 28<sup>th</sup> AGM held on 02<sup>nd</sup> August, 2018.
- d) The Board of Directors, have recommended final dividend of ₹ 5.5/- per equity share, this dividend will be paid after the approval of the members at the AGM. According to the requirements of Ind AS 10- Events occurring after Balance sheet date, the dividend declared and tax thereon shall only be recognised as a liability in the books of account in the year in which the dividends are declared on approval by members. The total liability on account of dividend on equity shares and dividend tax to be paid is ₹ 2,962 Lakhs and ₹ 609 Lakhs respectively.

**Note 17 Interest Income****On Financial Assets measured at Amortised Cost**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Interest on Loans	122,211	110,273
<b>Total</b>	<b>122,211</b>	<b>110,273</b>

**Note 18 Fees and Commission Income**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Fees and Other Charges	267	536
<b>Total</b>	<b>267</b>	<b>536</b>

**Note 19 Bad Debts Recovered**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Recovery of Bad debts	-	165
<b>Total</b>	<b>-</b>	<b>165</b>

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Note 20 Other Income**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Net Gain on sale of investments: Units of Mutual Funds	261	196
Profit on sale of Property Plant and Equipments	4	1
Dividend Income	13	6
Others	10	9
<b>Total</b>	<b>288</b>	<b>212</b>

**Note 21 Finance Cost****On Financial liabilities measured at Amortised Cost**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
On Term Loans (Secured)	77,484	64,760
On Non Convertible Debentures (Secured)	23	389
On Term Loans (Unsecured)	535	355
On Commercial Papers (Unsecured)	8,486	5,772
<b>Total</b>	<b>86,528</b>	<b>71,276</b>

**Note 22 Loss on Derecognition of Financial Instruments (Net)**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Loans	139	120
<b>Total</b>	<b>139</b>	<b>120</b>

**Note 23 Impairment on Financial Instruments**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019		For Year Ended March 31, 2018	
	On Financial Instruments measured		On Financial Instruments measured	
	At FVTOCI	At Amortised Cost	At FVTOCI	At Amortised Cost
Loans	-	3,300	-	6,132
Investments	-	-	-	-
<b>Total</b>	-	<b>3,300</b>	-	<b>6,132</b>

23.1 The details relating to movement in Impairment on Loans (Expected credit loss) is disclosed in note 4.2



## NOTES FORMING PART OF FINANCIAL STATEMENTS

## Note 24 Employee Benefit Expenses

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Salaries	2,566	2,294
Company's Contribution to Provident and Other Funds	340	379
Amortization of Employee Loans	21	41
Staff Welfare Expenses	295	227
<b>Total</b>	<b>3,222</b>	<b>2,941</b>

## Note 25 Depreciation and Amortisation Expenses

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Depreciation on Property, Plant and Equipment (Refer Note 8 (a))	72	64
<b>Total</b>	<b>72</b>	<b>64</b>

## Note 26 Other Expenses

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Rent	730	712
Rates and Taxes	11	7
<b>Repairs and Maintenance :</b>		
Building	60	25
Others	331	353
General Office Expenses	115	121
Insurance	244	220
Travelling and Conveyance	111	85
Printing and Stationery	90	82
Advertisement	130	99
Legal and Professional Fees	1,820	1,163
Directors Sitting Fees	28	12
Corporate Social Responsibility (CSR) Expenses (Note 26.1 )	601	3
Miscellaneous Expenses	500	316
<b>Auditor's Remuneration :</b>		
Audit Fees	13	12
Tax Audit Fees	4	4
Fees for other services/ limited review	11	10
<b>Total</b>	<b>4,799</b>	<b>3,224</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Note 26.1

Expenditure incurred for Corporate Social Responsibility are ₹ 601 Lakhs (Previous Year 3 Lakhs)

Disclosure on Corporate Social Responsibility (CSR) activities u/s 135 of the Companies Act, 2013 is as under :

(a) Gross amount required to be spent by Company during the year : ₹ 460 Lakhs (Previous year ₹ 381 Lakhs)

(b) Amount spent, utilised and charged during the year on :

Particulars	₹ in Lakhs	
	Current Year	Previous Year
(i) Construction / acquisition of any Asset	-	-
(ii) On purposes other than (i) above :		
a) Contribution to various Funds / Trusts / NGOs / Societies / Agencies and utilisation thereon	601	3
b) Expenditure on Administrative Overheads for CSR	-	-
<b>Total</b>	<b>601</b>	<b>3</b>

### Note 27 Income Tax

Income Tax Expense in statement of profit and loss

Particulars	₹ in Lakhs	
	For Year Ended	
	March 31, 2019	March 31, 2018
<b>Current income tax:</b>		
In respect of the current year	7,840	9,450
<b>Deferred tax:</b>		
In respect of the current year	(315)	(2,585)
<b>Total Income tax expense recognised in the current year</b>	<b>7,525</b>	<b>6,865</b>

Reconciliation of Income Tax Expense of the year can be reconciled to the accounting Profit as follows :

Particulars	₹ in Lakhs	
	For Year Ended	
	March 31, 2019	March 31, 2018
Profit Before Tax	24,705	27,429
Income Tax Expenses	8,633	9,492
Effect of :		
Expenses for which deduction under tax laws is allowed	(1,108)	(2,627)
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>7,525</b>	<b>6,865</b>

The tax rate used for the reconciliations above is the corporate tax rate of 34.944% for the year 2018-19 and 34.608% for the year 2017-18 payable by the company in India on taxable profits under tax law in Indian jurisdiction.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Note 28 Maturity Analysis Of Assets And Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR.

₹ in Lakhs

ASSETS	As At March 31, 2019			As At March 31, 2018			As At April 01, 2017		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Cash and Cash Equivalents	4,850	-	4,850	5,380	-	5,380	5,877	-	5,877
Bank Balance other than Cash and Cash Equivalent	372	-	372	355	-	355	334	-	334
Loans	57,267	1,217,467	1,274,734	49,112	1,044,406	1,093,519	40,231	863,433	903,664
Investments	-	1,350	1,350	-	1,301	1,301	-	1,242	1,242
Other Financial Assets	226	1,058	1,284	179	994	1,172	149	815	964
Current Tax Assets (net)	-	1,414	1,414	-	585	585	-	417	417
Deferred Tax Assets (net)	-	12,051	12,051	-	11,754	11,754	-	9,190	9,190
Property, Plant and Equipment	-	284	284	-	207	207	-	230	230
Intangible Assets	-	-	-	-	-	-	-	-	-
Other Non-Financial Assets	115	291	406	104	306	410	130	295	425
<b>Total Assets</b>	<b>62,830</b>	<b>1,233,915</b>	<b>1,296,745</b>	<b>55,130</b>	<b>1,059,553</b>	<b>1,114,683</b>	<b>46,721</b>	<b>875,622</b>	<b>922,343</b>

LIABILITIES	As At March 31, 2019			As At March 31, 2018			As At April 01, 2017		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Financial liabilities</b>									
-Trade Payable	1,157	-	1,157	619	-	619	577	-	577
Debt securities	124,076	-	124,076	93,786	-	93,786	-	83,838	83,838
Borrowings (other than debt securities)	167,490	874,297	1,041,787	139,499	765,121	904,620	96,185	643,660	739,845
Other financial liabilities	3,657	-	3,657	3,090	-	3,090	2,976	-	2,976
<b>Non-Financial Liabilities</b>									
Provisions	212	456	668	173	558	731	190	459	649
<b>Total Liabilities</b>	<b>296,592</b>	<b>874,753</b>	<b>1,171,345</b>	<b>237,167</b>	<b>765,679</b>	<b>1,002,846</b>	<b>99,928</b>	<b>727,957</b>	<b>827,885</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Note 29 Fair Value Measurements Financial Instruments by Category

₹ in Lakhs

Particulars	As At March 31, 2019			As At March 31, 2018			As At April 01, 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>									
Cash and Cash Equivalents	-	-	-	-	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalent	-	-	4,850	-	-	5,380	-	-	5,877
Loans	-	-	372	-	-	355	-	-	334
Investments	-	-	1,274,734	-	-	1,093,519	-	-	903,664
Other Financial Assets	-	1,350	-	-	1,301	-	-	1,242	-
<b>Total Financial Assets</b>	-	1,350	1,281,240	-	1,301	1,100,426	-	1,242	910,839
<b>Financial Liabilities</b>									
-Trade Payable	-	-	1,157	-	-	619	-	-	577
Debt securities	-	-	124,076	-	-	93,786	-	-	83,838
Borrowings (other than debt securities)	-	-	1,041,787	-	-	904,620	-	-	739,845
Other Financial Liabilities	-	-	3,657	-	-	3,090	-	-	2,976
<b>Total Financial Liabilities</b>	-	-	1,170,677	-	-	1,002,115	-	-	827,236

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## (i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

As at March 31, 2019	Carrying Amount	Routed through P/L	Routed through OCI			Carried at Amortised cost			Total
			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
<b>Financial Assets</b>									
Cash and Cash Equivalents	4,850	-	-	-	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalent	372	-	-	-	-	-	-	4,850	4,850
Loans	1,274,734	-	-	-	-	-	-	372	372
Investments	1,350	-	-	-	1,350	-	-	1,274,734	1,274,734
Other Financial Assets	1,284	-	-	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>1,282,590</b>	-	-	-	<b>1,350</b>	-	-	<b>1,284</b>	<b>1,284</b>
<b>Financial Liabilities</b>									
-Trade Payable	1,157	-	-	-	-	-	-	1,284	1,284
Debt securities	124,076	-	-	-	-	-	-	-	-
Borrowings (other than debt securities)	1,041,787	-	-	-	-	-	-	1,157	1,157
Other Financial Liabilities	3,657	-	-	-	-	-	-	124,076	124,076
<b>Total Financial Liabilities</b>	<b>1,170,677</b>	-	-	-	-	-	-	<b>1,041,787</b>	<b>1,041,787</b>
								3,657	3,657
								<b>1,170,677</b>	<b>1,170,677</b>

₹ in Lakhs

As at March 31, 2018	Carrying Amount	Routed through P/L	Routed through OCI			Carried at Amortised cost			Total
			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	
<b>Financial Assets</b>									
Cash and Cash Equivalents	5,380	-	-	-	-	-	-	-	-
Bank Balance other than Cash and Cash Equivalent	355	-	-	-	-	-	-	5,380	5,380
Loans	1,093,519	-	-	-	-	-	-	355	355
Investments	1,301	-	-	-	1,301	-	-	1,093,519	1,093,519
Other Financial Assets	1,172	-	-	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>1,101,727</b>	-	-	-	<b>1,301</b>	-	-	<b>1,172</b>	<b>1,172</b>
<b>Financial Liabilities</b>									
-Trade Payable	619	-	-	-	-	-	-	-	-
Debt securities	93,786	-	-	-	-	-	-	619	619
Borrowings (other than debt securities)	904,620	-	-	-	-	-	-	93,786	93,786
Other financial liabilities	3,090	-	-	-	-	-	-	904,620	904,620
<b>Total Financial Liabilities</b>	<b>1,002,115</b>	-	-	-	-	-	-	<b>3,090</b>	<b>3,090</b>
								<b>1,002,115</b>	<b>1,002,115</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

As at April 01, 2017	Carrying Amount	Routed through P/L	Routed through OCI			Carried at Amortised cost		
			Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>								
Cash and Cash Equivalents	5,877	-	-	-	-	-	-	5,877
Bank Balance other than Cash and Cash Equivalent	334	-	-	-	-	-	-	334
Loans	903,664	-	-	-	-	-	-	903,664
Investments	1,242	-	-	-	1,242	-	-	-
Other Financial Assets	964	-	-	-	-	-	-	964
<b>Total Financial Assets</b>	<b>912,081</b>	-	-	-	<b>1,242</b>	-	-	<b>910,839</b>
<b>Financial Liabilities</b>								
-Trade Payable	577	-	-	-	-	-	-	577
Debt securities	83,838	-	-	-	-	-	-	83,838
Borrowings (other than debt securities)	739,845	-	-	-	-	-	-	739,845
Other financial liabilities	2,976	-	-	-	-	-	-	2,976
<b>Total Financial Liabilities</b>	<b>827,236</b>	-	-	-	-	-	-	<b>827,236</b>

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

The carrying amounts of cash and cash equivalents, other bank balances, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans and other financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of debt securities and borrowings other than debt securities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Note 30 Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board. While the Company is exposed to various types of risks, the most important among them are credit risk, liquidity risk, interest rate risk and regulatory risk. This measurement, monitoring and management of risks remain a key focus area for the Company.

#### Credit Risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to company. In lending operations, the Company is principally exposed to credit risk.

The credit risk is governed by various Product Policies. The Product Policy outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits.

The Company measures, monitors and manages credit risk at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for Housing Loans and Non Housing Loans. The Company has a structured and standardized credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The Risk Management Policy addresses the recognition, measurement, monitoring and reporting of the Credit risk.

#### Credit Approval Authorities

The Board of Directors has delegated credit approval authority on the basis of cadre of employees with approval limits which is approved by the Managing Director.

#### Credit Risk Assessment Methodology

Company's customers for housing loans and non housing loans are primarily low, middle and high-income, salaried and self-employed individuals. All housing loans and non housing loans are also subjected to risk based pricing wherein the individual cases are graded on a credit score linked to multiple parameters of appraisal.

The Company's credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income & obligations, the loan-to-value ratio, Fixed obligation to income ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.

The various process controls such as KYC Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. In addition External agencies such as field investigation agencies facilitate a comprehensive due diligence process including visits to offices and homes.

The housing loans and non housing loans are fully secured and have full recourse against the borrower. The Company has an equitable mortgage over the borrowers property. Wherever the state laws provide, the memorandum of deposit of title deeds are also registered.

#### Risk Management and Portfolio Review

The Company ensures effective monitoring of credit facilities through a risk-based asset review framework under which the frequency of asset review is determined depending on the risk associated with the product.

The Operations team monitors compliance with the terms and conditions for credit facilities prior to disbursement. It also reviews the completeness of documentation, creation of security and compliance with regulatory guidelines.

The Company, regularly reviews the credit quality of the portfolio. A summary of the reviews carried out is submitted to the concern teams.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company reviews adherence to policies and processes, carries out audit through internal auditor and briefs the Audit Committee and the Board periodically.

### Liquidity Risk

#### Maturities of Financial Liabilities

The Company's financial liabilities into relevant maturity groupings based on their contractual maturities for essential for an understanding of the timing of the cash flows.

The amounts disclosed in note 28 are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

### Market risk

#### (i) Interest Rate Risk

The Company is exposed to interest rate risk as it has assets and liabilities based on both fixed and floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

##### (a) Interest rate risk exposure

The exposure of the Company's borrowing (including debt securities) at face value to interest rate changes at the end of the reporting period are as follows :

Particulars	₹ in Lakhs		
	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Variable Rate Borrowings	967,165	842,703	711,569
Fixed Rate Borrowings	198,698	155,703	112,114
<b>Total Borrowings</b>	<b>1,165,863</b>	<b>998,406</b>	<b>823,683</b>

##### (b) Sensitivity

Impact on the Company's profit before tax if interest rates had been 10 basis points higher / lower is given below:

Particulars	₹ in Lakhs	
	Impact on Profit Before Tax Current Year	Previous Year
Interest rates - increase by 10 basis points (10 bps)	(967)	(843)
Interest rates - increase by 10 basis points (10 bps)	967	843

#### (ii) Price Risk

##### (a) Exposure

The Company's exposure to Mutual Funds is not significant and hence the Company's exposure to price risk is insignificant.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

## Regulatory Risk

The Company requires certain statutory and regulatory approvals for conducting business and failure to obtain retain or renew these approvals in a timely manner, may adversely affect operations. Any change in laws or regulations made by the government or a regulatory body that governs the business of the Company may increase the costs of operating the business, reduce the attractiveness of investment and / or change the competitive landscape.

## 31 Capital Management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of National Housing Bank (NHB). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB.

The Company has complied with the applicable capital requirements over the reported period.

## (i) Risk management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio : Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

The Company's strategy is to maintain a gearing ratio within 16 times as stipulated by National Housing Bank. The gearing ratios were as follows :

₹ in Lakhs

Particulars	As At March 31, 2019	As At March 31, 2018	As At April 01, 2017
Debt securities	124,076	93,786	83,838
Borrowings (other than debt securities)	1,041,787	904,620	739,845
<b>Total Debt</b>	<b>1,165,863</b>	<b>998,406</b>	<b>823,683</b>
Cash and Cash Equivalents	4,850	5,380	5,877
<b>Net Debt</b>	<b>1,161,013</b>	<b>993,026</b>	<b>817,806</b>
<b>Total Equity</b>	<b>125,400</b>	<b>111,837</b>	<b>94,458</b>
Net Debt to Equity Ratio (in times )	9.26	8.88	8.66

## Note 32 Related Party Disclosures

"As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), details of related parties, nature of the relationship, with whom company has entered transactions. All these transactions with related parties were carried out in ordinary course of business and on arm's length basis."

## i) Key Management Personnel

- Shri. S. Gopakumar - Managing Director & CEO (From 01-04-18 TO 02-08-18)
- Mrs. Neera Saxena - Managing Director & CEO (From 03-08-18 TO 31-03-19)
- Shri. S. Sridharan - Sr. Vice President, Company Secretary & CFO

## NOTES FORMING PART OF FINANCIAL STATEMENTS

i) Details of transactions and balance at the year end with related parties:

a. Shri S. Gopakumar - Managing Director & CEO

₹ in Lakhs

Sr. No.	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	<b>Short Term Employee Benefits</b>		
i)	Salary	8	25
ii)	Salary Arrears	-	-
iii)	Leave Encashment and other allowances	1	-
iv)	Performance Incentive	5	2
v)	Contribution to Pension and other funds	1	1
vi)	Perquisites	3	3
vii)	<b>Post-Employment Benefits*</b>	-	-
	<b>Total</b>	<b>18</b>	<b>31</b>
	Housing Loan Closing Balance	-	-
	Maximum Balance of Housing Loan outstanding during the period	-	-

b. Mrs. Neera Saxena - Managing Director & CEO

₹ in Lakhs

Sr. No.	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	<b>Short Term Employee Benefits</b>		
i)	Salary	19	-
ii)	Salary Arrears	-	-
iii)	Leave Encashment and other allowances	1	-
iv)	Performance Incentive	-	-
v)	Contribution to Pension and other funds	1	-
vi)	Perquisites	3	-
vii)	Gratuity Liability	-	-
viii)	<b>Post-Employment Benefits*</b>	-	-
	<b>Total</b>	<b>24</b>	<b>-</b>
	Housing Loan Closing Balance	-	-
	Maximum Balance of Housing Loan outstanding during the period	-	-



## NOTES FORMING PART OF FINANCIAL STATEMENTS

c. Shri S. Sridharan - Sr. Vice President, Company Secretary & CFO

₹ in Lakhs

Sr. No.	Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
	<b>Short Term Employee Benefits</b>		
i)	Salary	23	21
ii)	Salary Arrears	-	-
iii)	Leave Encashment and other allowances	-	-
iv)	Performance Incentive	2	1
v)	Contribution to Pension and other funds	2	2
vi)	Perquisites	6	6
vii)	<b>Post-Employment Benefits*</b>	-	-
	<b>Total</b>	<b>33</b>	<b>30</b>
	Housing Loan and Other Advances Closing Balance	17	19
	Maximum Balance of Housing Loan outstanding during the period	19	21

\*The Post-Employment Benefits namely provision for gratuity and leave encashment cannot be determined employee wise since the provision is based on the actuarial valuation of the company as a whole.

ii) Remuneration To Directors

There are no transactions other than sitting fees paid to Non-Executive Directors. During the year, ₹ 28 Lakhs (Previous Year ₹ 12 Lakhs) were paid to Non-Executive Directors towards Sitting Fees. Details are as under:

₹ in Lakhs

Name of the Directors	Year Ended March 31, 2019			Year Ended March 31, 2018		
	Sitting Fees	Commission	Others	Sitting Fees	Commission	Others
Shri V. Ramasamy	4.80	-	-	3.90	-	-
Shri Kamlesh S. Vikamsey	3.30	-	-	1.20	-	-
Smt. Mona Bhide	3.90	-	-	2.10	-	-
Shri B. Chakrabarti	3.90	-	-	1.50	-	-
Shri A. V. Muralidharan	5.10	-	-	1.50	-	-
Shri M. K. Garg	3.00	-	-	1.50	-	-
Shri. NSR Chandra Prasad	3.60	-	-	0.30	-	-
<b>Total</b>	<b>27.60</b>	<b>-</b>	<b>-</b>	<b>12.00</b>	<b>-</b>	<b>-</b>



# NOTES FORMING PART OF FINANCIAL STATEMENTS

## Note 33

### Note on Transition of Financial Statements to Ind AS

Sr.No.	Particulars
	<b>Transition to Ind AS</b>
	The Company has prepared financial statements for the year ended March 31, 2019, in accordance with Ind AS for the first time. For the periods upto and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with the Companies (Accounting Standards) Rules, 2006, as amended (Previous GAAP). Accordingly, the Company has prepared its financial statements to comply with Ind AS for the year ending March 31, 2019, together with comparative information as at and for the year ended March 31, 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at April 1, 2017 i.e. the transition date to Ind AS for the Company. Previous GAAP financials statements as on April 1, 2017 being transition date and for previous year ended March 31, 2018 have been restated as per Ind AS.
	This note explains the principal adjustment made by the Company in restating its Previous GAAP financial statements, including the Balance Sheet as at April 1, 2017, and the financial statements as at and for the year ended March 31, 2018.
<b>33.1</b>	<b>Exemptions availed</b>
<b>33.1.1</b>	<b>Deemed Cost for Property, Plant and Equipment and Intangible Assets</b>
	The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2017 (the transition date), measured as per the Previous GAAP and use that carrying value as its deemed cost as of the transition date under Ind AS.
<b>33.1.2</b>	<b>Classification and Measurement of Financial Asset</b>
	The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.
<b>33.1.3</b>	<b>Estimates</b>
	On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. The company made estimates for following items in accordance with IND-AS at the date of transition as these were not required under previous GAAP:
	· Impairment of financial assets based on expected credit loss model.
<b>33.1.4</b>	<b>Classification and measurement of financial assets</b>
	The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.



## NOTES FORMING PART OF FINANCIAL STATEMENTS

33.2 Reconciliation of Equity as at April 1, 2017 and March 31, 2018 and Total Comprehensive income for the year ended March 31, 2018

Reconciliation of Equity as at April 01, 2017

₹ in Lakhs

Particulars	Notes to First time adoption	Opening Balance Sheet as at April 01, 2017		
		Previous GAAP *	Ind AS Adjustments	Ind-AS
<b>Assets</b>				
<b>Financial assets</b>				
Cash and Cash Equivalents		5,877	-	5,877
Bank balance other than Cash and Cash Equivalents		334	-	334
Loans	33.2.6	905,109	(1,445)	903,664
Investments	33.2.2	1,668	(426)	1,242
Other Financial Assets	33.2.3 & 33.2.4	1,205	(241)	964
<b>Total Financial Assets</b>		<b>914,193</b>	<b>(2,112)</b>	<b>912,081</b>
<b>Non-Financial assets</b>				
Current Tax Assets (net)		417	-	417
Deferred Tax Assets (net)	33.2.10	8,582	608	9,190
Property, Plant and Equipment		230	-	230
Intangible Assets		-	-	-
Other Non-Financial Assets	33.2.3 & 33.2.4	158	267	425
<b>Total Non-Financial Assets</b>		<b>9,387</b>	<b>875</b>	<b>10,262</b>
<b>Total Assets</b>		<b>923,580</b>	<b>(1,237)</b>	<b>922,343</b>
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
<b>Financial liabilities</b>				
<b>Payables</b>				
<b>-Trade Payable</b>		577	-	577
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		577	-	577
<b>-Other Payable</b>				
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
Debt securities		83,838	-	83,838
Borrowings (other than debt securities)	33.2.6	739,847	(2)	739,845
Other Financial Liabilities		2,976	-	2,976
<b>Total Financial Liabilities</b>		<b>827,238</b>	<b>(2)</b>	<b>827,236</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Notes to First time adoption	Opening Balance Sheet as at April 01, 2017		
		Previous GAAP *	Ind AS Adjustments	Ind-AS
<b>Non-Financial Liabilities</b>				
Provisions		649	-	649
Deferred tax liabilities (Net)	33.2.5	11,871	(11,871)	-
<b>Total Non-Financial Liabilities</b>		<b>12,520</b>	<b>(11,871)</b>	<b>649</b>
<b>Total Liabilities</b>		<b>839,758</b>	<b>(11,873)</b>	<b>827,885</b>
Equity		5,388	-	5,388
Other Equity	33.2.11	78,434	10,636	89,070
<b>Total Equity</b>		<b>83,822</b>	<b>10,636</b>	<b>94,458</b>
<b>Total Liabilities and Equity</b>		<b>923,580</b>	<b>(1,237)</b>	<b>922,343</b>

\*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

### Reconciliation of Equity as at March 31, 2018

₹ in Lakhs

Particulars	Notes to First time adoption	Balance Sheet as at March 31, 2018		
		Previous GAAP *	Ind AS Adjustments	Ind-AS
<b>Assets</b>				
<b>Financial assets</b>				
Cash and Cash Equivalents		5,380	-	5,380
Bank balance other than Cash and Cash Equivalents		355	-	355
Loans	33.2.6	1,094,738	(1,219)	1,093,519
Investments	33.2.2	1,668	(367)	1,301
Other Financial Assets	33.2.3 & 33.2.4	1,400	(228)	1,172
<b>Total Financial Assets</b>		<b>1,103,541</b>	<b>(1,814)</b>	<b>1,101,727</b>
<b>Non-Financial assets</b>				
Current Tax Assets (net)		585	-	585
Deferred Tax Assets (net)	33.2.10	11,223	531	11,754
Property, Plant and Equipment		207	-	207
Intangible Assets		-	-	-
Other Non-Financial Assets	33.2.3 & 33.2.4	118	292	410
<b>Total Non-Financial Assets</b>		<b>12,133</b>	<b>823</b>	<b>12,956</b>
<b>Total Assets</b>		<b>1,115,674</b>	<b>(991)</b>	<b>1,114,683</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS

₹ in Lakhs

Particulars	Notes to First time adoption	Balance Sheet as at March 31, 2018		
		Previous GAAP *	Ind AS Adjustments	Ind-AS
<b>Liabilities and Equity</b>				
<b>Liabilities</b>				
<b>Financial liabilities</b>				
<b>Payables</b>				
<b>-Trade Payable</b>		619	-	619
(i) Total outstanding dues of micro enterprises and small enterprises		4	-	4
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		615	-	615
<b>-Other Payable</b>				
(i) Total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-
Debt securities		93,786	-	93,786
Borrowings (other than debt securities)	33.2.6	904,621	(1)	904,620
Other Financial Liabilities		3,090	-	3,090
<b>Total Financial Liabilities</b>		<b>1,002,116</b>	<b>(1)</b>	<b>1,002,115</b>
<b>Non-Financial Liabilities</b>				
Provisions		731	-	731
Deferred tax liabilities (Net)	33.2.5	13,803	(13,803)	-
<b>Total Non-Financial Liabilities</b>		<b>14,534</b>	<b>(13,803)</b>	<b>731</b>
<b>Total Liabilities</b>		<b>1,016,650</b>	<b>(13,804)</b>	<b>1,002,846</b>
<b>Equity</b>				
Other Equity	33.2.11	93,636	12,813	106,449
<b>Total Equity</b>		<b>99,024</b>	<b>12,813</b>	<b>111,837</b>
<b>Total Liabilities and Equity</b>		<b>1,115,674</b>	<b>(991)</b>	<b>1,114,683</b>

\* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purposes of this note.

Notice

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## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Reconciliation of Total Comprehensive Income for year ended March 31, 2018

₹ in Lakhs

Particulars	Notes to First time adoption	Year ended March 31, 2018		
		Previous GAAP *	Ind AS Adjustments	Ind-AS
<b>Revenue from operations</b>				
Interest income	33.2.6 & 33.2.4	109,920	353	110,273
Fees and Commission Income	33.2.6	2,552	(2,016)	536
Bad Debts Recovered		165	-	165
<b>Total revenue from operations</b>		<b>112,637</b>	<b>(1,663)</b>	<b>110,974</b>
Other income	33.2.3	203	9	212
<b>Total income</b>		<b>112,840</b>	<b>(1,654)</b>	<b>111,186</b>
<b>Expenses</b>				
Finance costs	33.2.6	71,276	-	71,276
Loss on derecognition of Financial Instruments (Net)		-	120	120
Impairment on Financial Instruments (Expected Credit Loss)		6,132	-	6,132
Employee Benefits Expenses	33.2.7	2,900	41	2,941
Depreciation and Amortisation Expense		64	-	64
Others Expenses	33.2.6 & 33.2.3	5,285	(2,061)	3,224
<b>Total Expenses</b>		<b>85,657</b>	<b>(1,900)</b>	<b>83,757</b>
<b>Profit Before Tax</b>		<b>27,183</b>	<b>246</b>	<b>27,429</b>
<b>Less: Tax Expense</b>				
- Current Tax		9,450	-	9,450
- Deferred Tax (Net)	33.2.5	(710)	(1,875)	(2,585)
<b>Profit After Tax</b>		<b>18,443</b>	<b>2,121</b>	<b>20,564</b>
<b>Other Comprehensive Income</b>				
<b>A. Items that will not be reclassified to profit or loss</b>				
Remeasurement gain / (loss) on defined benefit plan	33.2.7	-	17	17
Net Gain on equity instrument designated at FVOCI for the year	33.2.2	-	59	59
Income tax relating to items that will not be reclassified to profit or loss	33.2.10	-	(21)	(21)
<b>B. Items that will be reclassified to profit or loss</b>		-	-	-
<b>Other Comprehensive Income (A+B)</b>		-	<b>55</b>	<b>55</b>
<b>Total Comprehensive Income for the Year</b>		<b>18,443</b>	<b>2,176</b>	<b>20,619</b>

# NOTES FORMING PART OF FINANCIAL STATEMENTS

Sr.No.	Particulars
<b>33.2.1</b>	<b>Classification of Financial Instruments</b>
	The company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets/financial liabilities. Accordingly, bifurcation of assets/liabilities as financial/Non-financial is identified and reclassified. However, this reclassification is not presented as transition adjustments.
<b>33.2.2</b>	<b>Investments</b>
	Under previous GAAP, Investment in equity instruments carried at cost. Under Ind-AS, the company recognizes equity instruments at fair value through Other Comprehensive Income as per business model assessment of the company.
<b>33.2.3</b>	<b>Fair Valuation of Security Deposits</b>
	Under the previous GAAP, interest free security deposits are recorded at their transaction value. Under IND AS, refundable and non-statutory security deposits are required to be recognised at fair value. Accordingly, the Company has fair valued the security deposits under IND AS. Difference between fair value of security deposits and the carrying value (transaction value) as per Previous GAAP has been recognised as prepaid rent. Subsequent to initial recognition, the security deposits are measured at amortized cost using the effective interest rate method with the carrying amount increased over the period upto the remaining tenure of such deposit. The amount of increase in the carrying amount of such deposits is recognized as 'Other Income' and prepaid expenses are amortized over the remaining tenure of such deposit as 'Rent Expenses'.
<b>33.2.4</b>	<b>Adjustment on account of staff loans carried at amortised cost</b>
	Under previous GAAP, staff loans at concessional interest rates measured at historical value. However, under Ind AS, when the said loans carry interest below the market rate, it is required to be measured at fair value on initial recognition. The fair value is determined at the present value of EMI, discounted using the market interest rates for similar instruments. The difference between historical value and fair value of such loans are classified under prepaid expenses. Subsequent to initial recognition, the loans are measured at amortized cost using the effective interest rate method with the carrying amount increased over the period upto the recovery of the loans. The amount of increase in the carrying amount of loans is recognized as 'Interest Income' and prepaid expenses are amortized over the tenure of loans as 'Employee cost'.
<b>33.2.5</b>	<b>Reversal of Deferred Tax Liability on Special Reserve</b>
	As per previous GAAP, DTL was created on the special reserve created under section 36(1)(viii) of the Income Tax Act, 1961 as per the requirement of circular no NHB(ND)/DRS/Policy Circular 65/2014-15 dated August 22, 2014. Under Ind AS 12-Taxes on Income, there is no difference between carrying amount of special reserve as per books of account and its tax base. Accordingly DTL is not required to be created on the special reserve.
<b>33.2.6</b>	<b>Effective Interest Rate (EIR)</b>
	Under Previous GAAP, transaction costs charged to customers and incurred by the Company was recognised upfront while under Ind AS, such costs are included in the initial recognition amount of financial asset/financial liability and recognised as interest income/interest expense using the effective interest method.
<b>33.2.7</b>	<b>Employee Benefit Expenses</b>
	Both under Previous GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Previous GAAP, the entire cost, including actuarial gain and losses, are charged to profit or loss. Under Ind AS,remeasurements (comprising of actuarial gains and losses, the effect of assets ceiling, excluding amounts included in net interest on the net defined benefit liability and return on plan assets excluding amount included in net interest on the net defined benefit liability) are recognised in Other Comprehensive Income (OCI).

## NOTES FORMING PART OF FINANCIAL STATEMENTS

Sr.No.	Particulars
<b>33.2.8</b>	<b>Fair valuation for Financial Assets and Liabilities</b>
	The Company has valued financial assets and Liabilities, at fair value. Impact of fair value changes as on the date of transition, is recognised in opening General reserves and changes thereafter are recognised in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.
<b>33.2.9</b>	<b>Other Comprehensive Income</b>
	Under Previous GAAP, there was no concept of OCI. Under Ind AS, for equity instruments, the Company has exercised irrevocable option to recognise in other comprehensive income subsequent changes in the fair value.
	Fair valuation of Investments and re-measurement of defined benefit plan liability are recognised in OCI.
<b>33.2.10</b>	<b>Deferred tax impact due to Ind AS Adjustments</b>
	The impact of transition adjustments together with Ind AS mandate of using balance sheet approach (against profit and loss approach in the previous GAAP) for computation of deferred taxes has resulted in charge to the Genral Reserves, on the date of transition, with consequential impact to the Statement of Profit and Loss for the subsequent periods.
<b>33.2.11</b>	<b>General Reserve</b>
	General Reserve as at 1 <sup>st</sup> April, 2017 has been adjusted consequent to the above IND-AS transition adjustments.

### Note 34 Employee Benefits:

In compliance with the Indian Accounting Standard on 'Employee Benefits' (Ind AS 19), following disclosures have been made :

#### Defined Contribution Plan:

The Company makes contribution to Employees' Pension Scheme, 1995 for all employees and Employee State Insurance Scheme for all eligible employees. The Company has recognized ₹ 30 Lakhs (Previous year ₹ 74 Lakhs) for Employees' Pension Scheme in the Statement of Profit and Loss. The contributions payable by the Company are at rates specified in the rules of the schemes.

#### Defined Benefit Plans:

##### Provident Fund

An amount of ₹ 213 Lakhs (Previous year ₹ 130 Lakhs) has been charged to Statement of Profit and Loss on account of this defined benefit scheme.

##### Leave Encashment

An amount of ₹ 34 Lakhs (Previous year ₹ 1 Lakhs) has been charged to Statement of Profit and Loss for this benefit scheme during the year.

##### Gratuity Plan

Gratuity is payable to all the members at the rate of 15 days salary for each completed year of Service.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

Disclosures for defined benefit plans based on actuarial valuation reports as on March 31, 2019

**A. Change in Projected Benefit Obligation**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Present Value of Benefit Obligation as at beginning of the period	762	629
Interest Cost	60	48
Current Service Cost	69	56
Past Service Cost	-	106
(Benefit Paid From the Fund)	(7)	(60)
"Actuarial (Gains)/Losses on Obligations-Due to Change in Demographic Assumptions"	22	-
"Actuarial (Gains)/Losses on Obligations-Due to Change in Financial Assumptions"	30	(31)
Actuarial (Gains)/Losses on Obligations - Due to Experience	27	14
<b>Present Value of Defined Benefit Obligation as at the end of the year</b>	<b>963</b>	<b>762</b>

**B. Fair Value of Plan Assets**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Fair Value of Plan Assets at the beginning of the period	393	343
Interest income*	45	26
Contributions by the employer	260	84
(Benefit paid from the fund)	(7)	(60)
Return on plan assets, excluding interest income	1	-
<b>Fair Value of Plan Assets at the end of the period</b>	<b>692</b>	<b>393</b>

\*Contribution done in July 2018 for 260 Lakhs, so interest income calculated accordingly.

**C. Amount recognised in the Balance Sheet**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
(Present Value of Benefit Obligation at the end of the Period)	(963)	(762)
Fair Value of Plan Assets at the end of the Period	692	393
Funded Status (Surplus/ (Deficit))	(271)	(369)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(271)</b>	<b>(369)</b>



**NOTES FORMING PART OF FINANCIAL STATEMENTS****D. Net interest cost for current year**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Present Value of Benefit Obligation at the Beginning of the Period	762	629
(Fair Value of Plan Assets at the Beginning of the Period)	(393)	(342)
Net Liability/(Asset) at the Beginning	369	287
Interest Cost	60	48
(Interest Income)	(45)	(26)
Net Interest Cost for Current Period	15	22

**E. Expenses recognised in Statement of Profit and Loss**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Current Service Cost	69	56
Net Interest Cost	15	22
Past Service Cost	-	106
Expected Contributions by the Employees	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
<b>Expenses Recognized</b>	<b>84</b>	<b>184</b>

**F. Expenses Recognized in the Other Comprehensive Income (OCI) for current year**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Actuarial (Gains)/Losses on Obligation For the Period	79	(17)
Return on Plan Assets, Excluding Interest Income	(2)	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>77</b>	<b>(17)</b>

**G. Total amount recognized in Other Comprehensive Income consists of:**

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Remeasurement (Gains)/Losses	77	(17)



## NOTES FORMING PART OF FINANCIAL STATEMENTS

## H. Principal actuarial assumptions used:

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Expected Return on Plan Assets	7.69%	7.86%
Rate of Discounting	7.69%	7.86%
Rate of Salary Increase	9.00%	7.00%
Rate of Employee Turnover	5.60%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

## I. Balance Sheet Reconciliation

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Opening Net Liability	369	287
Expenses Recognized in Statement of Profit or Loss	85	184
Expenses Recognized in OCI	77	(17)
(Employer's Contribution)	(260)	(84)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>271</b>	<b>370</b>

## J. Other Details

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
No of Active Members	285	269
Per Month Salary For Active Members	165	143
Weighted Average Duration of the Projected Benefit Obligation (in Years )	10	13
Average Expected Future Service (in Years )	12	18
Projected Benefit Obligation	963	762
Prescribed Contribution For Next Year (12 Months)	165	143

## K. Maturity Analysis of the Benefit Payments: From the Fund

₹ in Lakhs

Projected Benefits Payable in Future Years From the Date of Reporting	For Year Ended March 31, 2019	For Year Ended March 31, 2018
1 <sup>st</sup> Following Year	76	19
2 <sup>nd</sup> Following Year	58	20
3 <sup>rd</sup> Following Year	76	43
4 <sup>th</sup> Following Year	75	44
5 <sup>th</sup> Following Year	88	44
Sum of Years 6 To 10	416	347
Sum of Years 11 and above	1,542	1,885

**NOTES FORMING PART OF FINANCIAL STATEMENTS****L. Sensitivity Analysis**

₹ in Lakhs

Projected Benefits Payable in Future Years From the Date of Reporting	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Projected Benefit Obligation on Current Assumptions	963	762
Delta Effect of +1% Change in Rate of Discounting	(78)	(81)
Delta Effect of -1% Change in Rate of Discounting	91	96
Delta Effect of +1% Change in Rate of Salary Increase	46	96
Delta Effect of -1% Change in Rate of Salary Increase	(49)	(82)
Delta Effect of +1% Change in Rate of Employee Turnover	4	6
Delta Effect of -1% Change in Rate of Employee Turnover	(4)	(7)

**NOTE 35: NOTES FORMING PART OF THE ACCOUNTS:****1. Contingent Liabilities:**

- a) With respect to pending Income Tax disputes of ₹ 165 Lakhs (Previous Year - ₹ 275 Lakhs). The Company has preferred appeal/s against the same and has made payments under protest.
- b) Bank Guarantees:
  - i) ₹ 150 Lakhs given in favor of Kotak Mahindra Life Insurance Company Ltd. in lieu of premium deposit for “Kotak Term Group Plan” Policy contract to avail Term Group Plan cover for borrowers. (Previous Year - ₹ 150 Lakhs).
  - ii) ₹ 100 Lakhs given in favor of Future Generali India Life Insurance Company Ltd. in lieu of premium deposit for “Future Generali Loan Suraksha Plan” policy contract to avail Credit Life Group Plan Cover for borrowers (Previous Year - ₹ 100 Lakhs).
  - iii) ₹ 50 Lakhs given in favor of Aditya Birla Sun Life Insurance Company Ltd. in lieu of premium deposit for “Aditya Birla Sun Life Insurance Group Asset Assure Plan” policy contract to avail Credit Life Group PlanCover for borrowers (Previous Year - ₹ 50 Lakhs)

2. Housing Loans include loans amounting to ₹ 16,574 Lakhs (Previous Year ₹ 12,444 Lakhs) against which the company has taken possession (including symbolic possession) of the property under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and held such properties for disposal.

**3. Segment Reporting:**

The Company’s main business is to provide loans for the purchase or construction of residential units. All other activities revolve around the main business. Hence, there are no separate reportable segments, as per Ind AS 108 dealing with Operating Segments as specified under Sec.133 of the Companies Act, 2013.

**4. Leases:**

Company has entered into agreements for taking on lease basis certain office premises. Lease payments recognized in the Statement of Profit and Loss for the year is ₹ 731 Lakhs (Previous Year ₹ 712 Lakhs).

Future lease rental obligation under non-cancellable leases:

- a) Not later than one year: ₹ 139 Lakhs (P.Y. ₹ 201 Lakhs)
- b) Later than one year and not later than five years. : ₹ 462 Lakhs (P.Y. ₹ 536 Lakhs)
- c) Later than five years. : ₹ 251 Lakhs (P.Y. ₹ 280 Lakhs)



## NOTES FORMING PART OF FINANCIAL STATEMENTS

5. Earnings Per Share:

₹ in Lakhs

Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
Profit attributable to Equity Shareholders (₹ In Lakhs)	17,181	20,564
No. of Weighted Average Equity Shares Outstanding During the year (Basic & Diluted)	5,38,51,066	5,38,51,066
Nominal Value of Equity Shares (in ₹)	10	10
Basic Earnings per Share (in ₹) (Basic & Diluted)	31.90	38.19

6. Details of Movement in Provisions:

Particulars	As on April 01, 2018	Provision made during the year	Provision Reversed/Adjusted during the year	Closing as on March 31, 2019
Non-Performing Assets	24,963	5,195	2,179	27,979
Standard Assets	5,033	284	--	5,317
Housing Loans under Differential Interest Rate	42	--	--	42
Investments	979	--	--	979
Taxation	45,741	7,840	--	53,581

Outflow in respect of above provisions; both timing & certainty would depend on developments/ Outcome of these events.

7. Disclosure as required by National Housing Bank (NHB):

The following disclosures have been given in terms of NHB'S Notification No.NHB.HFC.CG- DIR.1/MD&CEO/2016, dated 9<sup>th</sup> February, 2017 and in terms of the circular no. NHB/ND/DRS/Pol-No.35/2010-11 dated October 11, 2010: Further, the disclosures which are for regulatory and supervisory purpose have been made so as to comply with NHB's Policy Circular No. NHB(ND)/DRS/Policy Circular No. 89/2017-18 dated June 14, 2018 which requires Housing Finance Companies to continue to follow the extent provisions of National Housing Bank Act, 1987 and Housing Finance Companies (NHB) Directions 2010 including framework on prudential norms and other related circulars issued in this regards by NHB from time to time and the same have been prepared in accordance with Accounting Standards prescribed under section 133 of the Companies Act, read with the Companies (Accounting Standards) Rules, 2006, as amended (Indian GAAP).

I. Capital to Risk Assets Ratio (CRAR):

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	CRAR (%) **	16.55	16.17
ii)	CRAR - Tier I capital (%)	16.55	16.17
iii)	CRAR - Tier II Capital (%)	-	-
iv)	Amount of subordinated debt raised as Tier- II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

\*\* According to the accounting standards specified under Sec. 133 of Companies Act, 2013, the proposed dividend of ₹ 2,962 Lakhs and dividend distribution tax thereon of ₹ 609 Lakhs are not recognized as liability as at 31<sup>st</sup> March, 2019 in the Financial Statements.

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### II. Reserve fund u/s 29C of NHB Act, 1987:

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
	Balance at the beginning of the year		
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	456	456
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	39,498	34,308
	<b>Total (a + b)</b>	<b>39,954</b>	<b>34,764</b>
	Addition / Appropriation / Withdrawal during the year		
	Add:		
a)	Amount transferred u/s 29C of the NHB Act, 1987	-	-
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	4,670	5,190
	Less:		
a)	Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b)	Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purposes of provision u/s 29C of the NHB Act, 1987	-	-
	<b>Balance at the end of the year</b>		
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	456	456
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	44,168	39,498
	<b>Total (a + b)</b>	<b>44,624</b>	<b>39,954</b>

### III. Investments:

(₹ In Lakhs)

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
	Value of Investments		
i)	Gross Value of Investments		
a)	In India	2,647	2,647
b)	Outside India	-	-
ii)	Provisions for Depreciation		
a)	In India	979	979
b)	Outside India	-	-
iii)	Net Value of Investments		
a)	In India	1,668	1,668
b)	Outside India	-	-

**NOTES FORMING PART OF FINANCIAL STATEMENTS****Movement of Provisions held towards depreciation on investments**

(₹ In Lakhs)			
Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
	Value of Investments		
i)	Opening balance	979	979
ii)	Add: Provisions made during the year	-	-
iii)	Less: Write-off/Written-back of excess provisions during the year	-	-
iv)	Closing Balance	979	979

**IV. The Company has not entered into any of the following transactions;**

- a) Derivative transaction,
- b) Securitization and assignment transaction,
- c) Transaction of purchase and / or sale of non-performing financial assets,
- d) Financing of parent company product, and
- e) Finance of any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

Accordingly, disclosures required under para no 3.5. As per NHB Notification No.NHB.HFC.CG- DIR.1/MD&CEO/2016, dated 9<sup>th</sup> February, 2017 are not applicable.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

## V. Asset Liability Management:

Assets & Liabilities are classified & disclosed as per the guidelines issued by the NHB.

**Maturity pattern of certain items of assets and liabilities as at March 31, 2019**

(₹ In Lakhs)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market Borrowings	Foreign currency Liabilities	Advances*	Investments*	Foreign currency Assets
1 day to 30 days (one month)	-	2,500	50,000	-	4,648	-	-
Over one month to 2 months	-	-	74,076	-	4,633	-	-
Over 2 months to 3 months	-	6,994	-	-	4,641	-	-
Over 3 months to 6 months	-	76,645	-	-	14,031	-	-
Over 6 months to 1 year	-	81,351	-	-	28,620	-	-
Over 1 year to 3 years	-	3,96,508	-	-	1,21,304	-	-
Over 3 years to 5 years	-	3,05,588	-	-	1,31,508	-	-
Over 5 years to 7 years	-	1,28,132	-	-	68,481	-	-
Over 7 years to 10 years	-	38,775	-	-	2,79,121	-	-
Over 10 years	-	5,297	-	-	6,22,655	1,668	-
<b>Total</b>	-	<b>10,41,790</b>	<b>1,24,076</b>	-	<b>12,79,642</b>	<b>1,668</b>	-

\* Net of Provisions of Non-Performing Assets

**Maturity pattern of certain items of assets and liabilities as at March 31, 2018**

(₹ In Lakhs)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market Borrowings	Foreign currency Liabilities	Advances*	Investments*	Foreign currency Assets
1 day to 30 days (one month)	-	-	38,786	-	3,846	-	-
Over one month to 2 months	-	-	40,000	-	3,863	-	-
Over 2 months to 3 months	-	4,910	15,000	-	3,882	-	-
Over 3 months to 6 months	-	69,179	-	-	11,768	-	-
Over 6 months to 1 year	-	65,409	-	-	24,238	-	-
Over 1 year to 3 years	-	3,29,153	-	-	1,02,903	-	-
Over 3 years to 5 years	-	2,62,955	-	-	1,11,315	-	-
Over 5 years to 7 years	-	1,15,467	-	-	1,18,112	-	-
Over 7 years to 10 years	-	57,548	-	-	1,80,410	-	-
Over 10 years	-	-	-	-	5,38,205	1,668	-
<b>Total</b>	-	<b>9,04,621</b>	<b>93,786</b>	-	<b>10,98,542</b>	<b>1,668</b>	-

\* Net of Provisions of Non-Performing Assets



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### VI. Exposure to Real Estate Sector:

(₹ In Lakhs)

Sr. No.	Category	For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	<b>Direct Exposure</b>		
	<b>a) Residential Mortgages</b> Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to 15 lakh may be shown separately) <ul style="list-style-type: none"> <li>- Individual Housing Loans up to ₹ 15 Lakhs</li> <li>- Individual Housing Loans above ₹ 15 Lakhs</li> <li>- Housing Loans to Corporate Bodies</li> </ul>	5,12,768 7,94,160 335	4,85,777 6,36,978 335
	<b>b) Commercial Real Estate</b> Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits; <ul style="list-style-type: none"> <li>- Commercial Loans</li> <li>- Housing Loans to Others</li> </ul>	359 -	416 -
	<b>c) Investments in Mortgage Backed Securities (MBS) and other Securitised Exposures</b> <ul style="list-style-type: none"> <li>- Residential</li> <li>- Commercial Real Estate</li> </ul>	- -	- -

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## NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ In Lakhs)

Sr. No.	Category	For Year Ended March 31, 2019	For Year Ended March 31, 2018
ii)	<b>Indirect Exposure</b>		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

### VII. Exposure to Capital Market:

(₹ In Lakhs)

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
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;	1,668	1,668
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;	-	-
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;	-	-
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;	-	-
v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii)	bridge loans to companies against expected equity flows / issues;	-	-
viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	<b>Total Exposure to Capital Market</b>	<b>1,668</b>	<b>1,668</b>

VIII. The Company has not exceeded limit prescribed by NHB for Single Borrower Limit (SGL) and Group Borrower Limit (GBL).

IX. The Company has not obtained registration from any other financial sector regulators.

# NOTES FORMING PART OF FINANCIAL STATEMENTS

X. The Company has not given any Loan & Advances against the collateral security of gold jewellery.

XI. Disclosure of Penalties imposed by NHB and other regulators.

NHB in its Inspection for the financial year 2016-17 has observed that company has not classified 683 loan accounts (outstanding Balance ₹ 8,685 Lakhs as on 31<sup>st</sup> March 2017) as Non-Performing Assets and to made provisions as per Housing Finance Companies (NHB) Directions, 2010. Pursuant to this, the Company had made a provision of ₹ 324 Lakhs on such class of loan portfolio identified in the previous year. Further, NHB has levied penalty of ₹ 40.35 Lakhs. The same is paid by company during previous year.

XII. As per the Accounting Standard on 'Related Party Disclosures', details of the related parties, nature of the relationship with whom Company has entered transactions and remuneration to directors, are given in Note no. 32. There were no material transaction with related parties and all these transactions with related parties were carried out in ordinary course of business at arm's length price.

XIII. Rating assigned by Credit Rating Agencies and migration of rating during the year:

Sr. No.	Particulars	For Year Ended March 31, 2019		For Year Ended March 31, 2018	
		ICRA	CRISIL	ICRA	CRISIL
i)	Long Term Loans	[ICRA]AA+ stable	CRISIL AA+ stable	[ICRA]AA+ stable	CRISIL AA+ stable
ii)	Non-Convertible Debentures	[ICRA]AA+ stable	CRISIL AA+ stable	[ICRA]AA+ stable	CRISIL AA+ stable
iii)	Short Term Loans	[ICRA]A1+	NIL	[ICRA]A1+	NIL
iv)	Commercial Paper	[ICRA]A1+	CRISIL A1+	[ICRA]A1+	CRISIL A1+

XIV. During the year,

- No prior period items occurred which has impact on Statement of Profit & Loss,
- No change in any accounting policy except implementation of Ind AS required by Ministry of Company Affairs , and
- There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

XV. The Company has no subsidiary hence, requirement of consolidated financial statement is Not applicable to the Company.

**XVI. Provisions and Contingencies charged during the year:**

(₹ In Lakhs)

Sr. No.	Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
i)	Provisions for Depreciation on Investments	-	-
ii)	Provision made towards Income tax	7,840	9,450
iii)	Provision towards NPA	3,016	5,543
iv)	Provision for Standard Assets (With details like teaser loan, CRE, RE-RH etc.)	284	589
v)	Other Provision and Contingencies (with details)	-	-

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Break up Loan & Advances and Provisions thereon

(₹ In Lakhs)

Sr. No.	Particulars	Housing		Non Housing	
		For Year Ended March 31, 2019	For Year Ended March 31, 2018	For Year Ended March 31, 2019	For Year Ended March 31, 2018
	<b>Standard Asset</b>				
a)	Total outstanding Amount	10,97,638	9,25,888	1,74,627	1,70,291
b)	Provisions made	3,732	3,473	1,627	1,602
	<b>Sub - Standard Asset</b>				
a)	Total outstanding Amount	9,741	7,220	2,761	3,452
b)	Provisions made	3,993	5,620	1,131	2,688
	<b>Doubtful Assets-Category-I</b>				
a)	Total outstanding Amount	4,975	4,372	1,811	1,553
b)	Provisions made	4,975	4,372	1,811	1,553
	<b>Doubtful Asset - Category II</b>				
a)	Total outstanding Amount	6,048	2,530	1,773	618
b)	Provisions made	6,048	2,530	1,773	618
	<b>Doubtful Asset - Category III</b>				
a)	Total outstanding Amount	6,980	6,317	445	382
b)	Provisions made	6,980	6,317	445	382
	<b>Loss Assets</b>				
a)	Total outstanding Amount	774	833	49	50
b)	Provisions made	774	833	49	50
	<b>Total</b>				
a)	Total outstanding Amount	11,26,156	9,47,160	1,81,466	1,76,346
b)	Provisions made	26,502	23,145	6,836	6,893

**XVII. Concentration of Public Deposits:** The Company has not accepted any public deposits.

### **XVIII. Concentration of Loans & Advances:**

(₹ In Lakhs)

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	Total Loans & Advances to twenty largest borrowers	3,831	3,844
ii)	Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC.	0.29%	0.34%

### **XIX. Concentration of all Exposure (including off-balance sheet exposure):**

(₹ In Lakhs)

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	Total Exposure to twenty largest borrowers	4,076	4,000
ii)	Percentage of Exposure to twenty largest borrowers/ customers to Total Exposure of the HFC on borrower/ customers	0.30%	0.35%



## NOTES FORMING PART OF FINANCIAL STATEMENTS

### XX. Concentration of NPAs:

(₹ In Lakhs)

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	Total Exposure to top ten NPA accounts	1,205	1,128

### XXI. Sector-wise NPAs:

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	<b>Housing Loans</b>		
a.	Individuals	2.53%	2.24%
b.	Builders/Project Loans	-	-
c.	Corporates	-	-
d.	Others (specify)	-	-
ii)	<b>Non - Housing Loans</b>		
a.	Individuals (Mortgage/Commercial)	3.59%	3.40%
b.	Builders/Project Loans	-	-
c.	Corporates	0.18%	0.21%
d.	Others (specify)	-	-

### XXII. Movement of NPAs:

(₹ In Lakhs)

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	Net NPAs to Net Advances (%)	0.58%	0.21%
ii)	Movement of NPAs (Gross)		
a)	Opening balance	27,327	22,070
b)	Additions during the year	30,125	28,903
c)	Reductions during the year	22,095	23,646
d)	Closing balance	35,357	27,327
iii)	Movement of Net NPAs		
a)	Opening balance	2,364	2,650
b)	Additions during the year	24,930	20,644
c)	Reductions during the year	19,916	20,930
d)	Closing balance	7,378	2,364
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
a)	Opening balance	24,963	19,420
b)	Provisions made during the year	5,195	8,259
c)	Utilization of Floating provision*	-	-
d)	Write-off/write-back of excess provisions	2,179	2,716
e)	Closing balance	27,979	24,963

\*Pursuant to the communication received from National Housing Bank (NHB), the additional provision made by the Company in the previous financial years towards the Standard assets and Non-Performing Assets are reclassified to provisions for Non-Performing Assets.

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

XXIII. The Company does not have any overseas assets and any off balance sheet Special Purpose Vehicle (SPV), which requires to be consolidated as per accounting norms.

**XXIV. Disclosure of Complaints:**

Sr. No.	Particulars	For Year Ended March 31, 2019	For Year Ended March 31, 2018
i)	No. of complaints pending at the beginning of the year	36	6
ii)	No. of complaints received during the year	70	70
iii)	No. of complaints redressed during the year	93	40
iv)	No. of complaints pending at the end of the year	13	36

Disclosure made above is only for the complaints filed by customers directly on “Grievance Registration and Information Database system (GRIDS)” NHB online website having the following URL: <http://grids.nhbonline.org.in>

8. Figures for previous year have been regrouped / reclassified wherever necessary.

9. Figures have been rounded off to the nearest Rupees in Lakhs.

As per our Report attached of even date

For and on behalf of The Board of Directors

**CNK & Associates LLP**

Chartered Accountants

ICAI Firm Reg.No.101961W/W-100036

**Manish Sampat**

Partner

Membership No.101684

Place : Mumbai

Date : 24<sup>th</sup> May, 2019

**Alice G. Vaidyan**

Chairperson

DIN: 07394437

**Neera Saxena**

Managing Director & CEO

DIN: 08189646

**S. Sridharan**

Chief Financial Officer

(Sr. Vice President & Company Secretary)



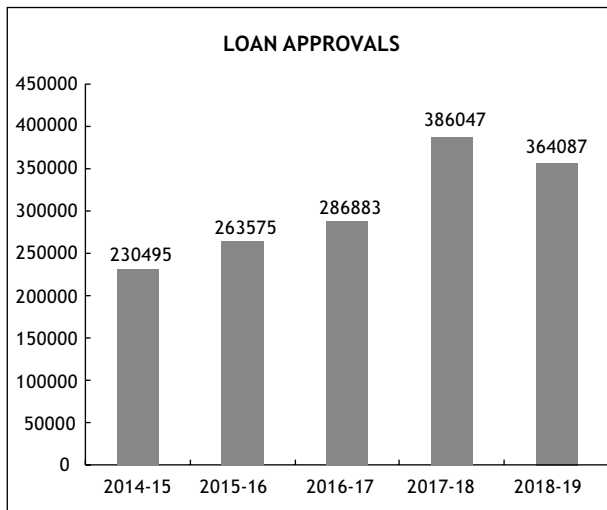
## FINANCIAL ANALYSIS AND PERFORMANCE MEASURES

### Achievements in 2018-19

#### Loan approvals during the year

During the year, the Company Sanctioned ₹ 3,64,087 Lakhs under “Apna Ghar Yojana” (Loan to individuals)

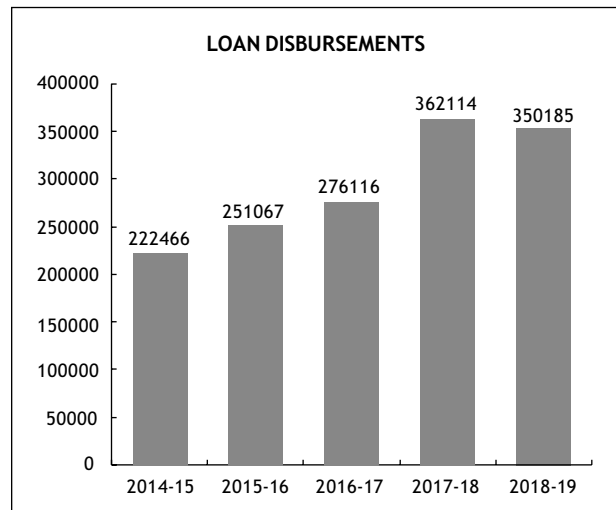
(₹ in Lakhs)



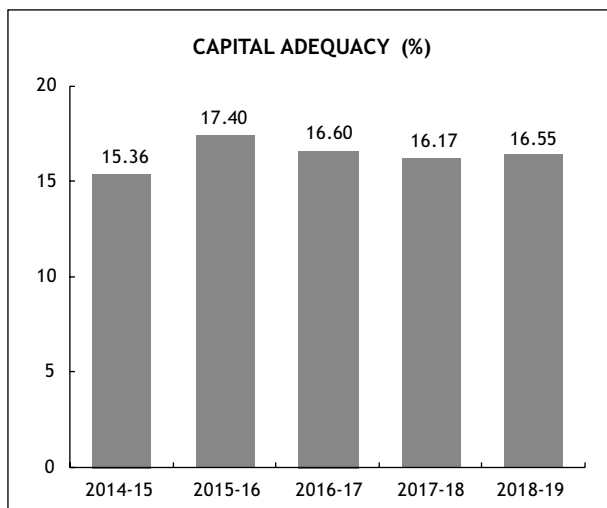
#### Loan disbursements during the year

During the year, the Company disbursed ₹ 3,50,185 Lakhs under “Apna Ghar Yojana” (Loan to individuals)

(₹ in Lakhs)



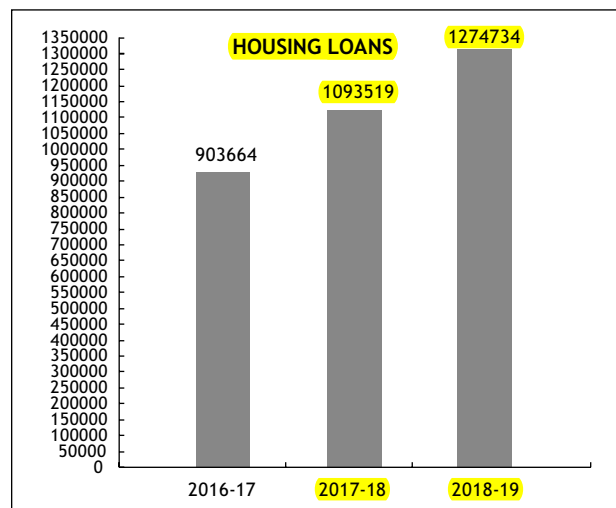
#### Capital Adequacy (\* as per IGAAP)



#### Housing Loans (\* as per IND AS)

The Housing Loans Portfolio rose by 16.57% for the year 2018-19

(₹ in Lakhs)

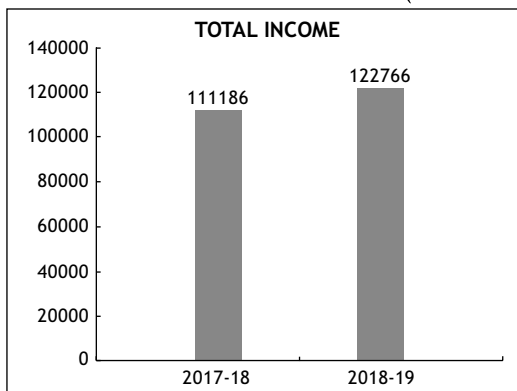


**Comparative Statement**

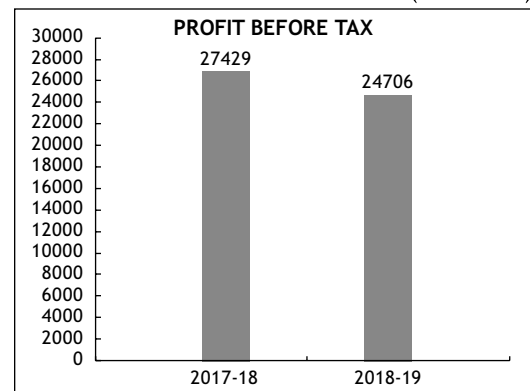
(₹ in Lakhs)

Particulars	31.03.2019	31.03.2018
Total Income	1,22,766	1,11,186
Profit Before Tax	24,706	27,429
Profit After Tax	17,181	20,564
Earning per Share (₹)	31.90	38.39
Dividend (%)	55	55
Book Value per Share (₹)	210.49	185.85

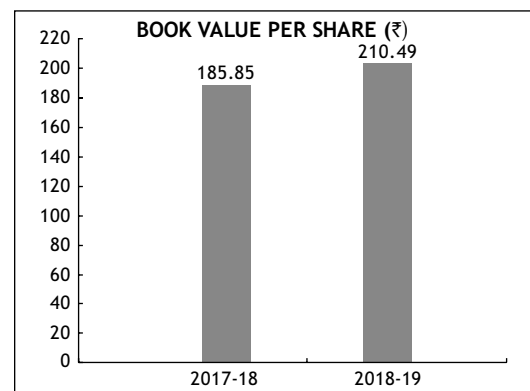
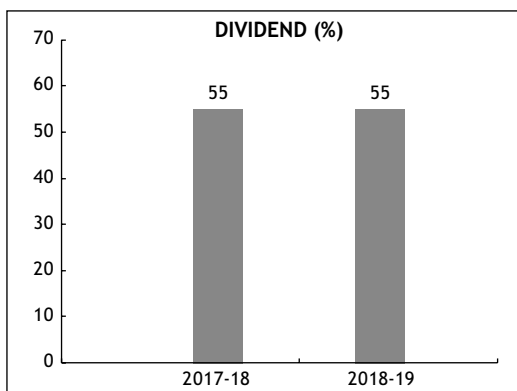
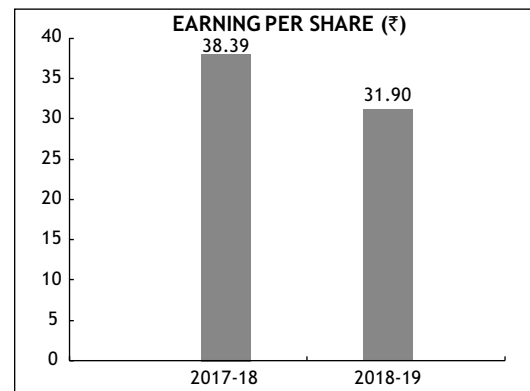
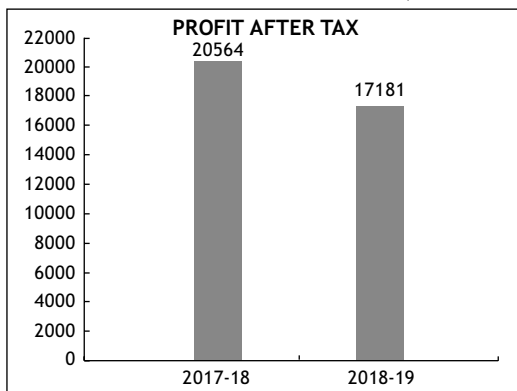
(₹ in Lakhs)



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Inauguration of Surat Branch



Inauguration of Varanasi Branch

