

RHFL/SE/25/2018-2019

October 04, 2018

National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai-400 051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Kind Attn: Listing Department

Respected Sir,

Sub: Submission of Annual Report of Repco Home Finance Limited for the Financial Year 2017-18 pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

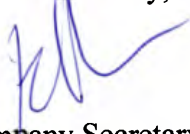
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report of the Company for the Financial Year 2017-18, which has been duly approved and adopted by the Members at the Annual General Meeting of the Company held on September 25, 2018.

The Annual Report is also available on the Company's website at www.repcohome.com.

This is submitted for your kind information and records.

Thanking You,

Yours Faithfully,



Company Secretary



18th ANNUAL REPORT 2017-18



Inauguration of Bhopal Branch by our Managing Director Shri R Varadarajan



Inauguration of Sri City Sat Centre by our Chairman Shri TS KrishnaMurthy



Shri R Varadarajan Managing Director handed over Flood Relief cheque to Kerala Chief Minister Shri Pinarayi Vijayan

BOARD OF DIRECTORS



Chairman
Shri T.S. KRISHNA MURTHY
(Chief Election Commissioner, Retd)



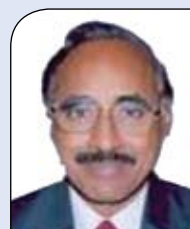
Shri DINESH PONRAJ OLIVER I.A.S
Director of Rehabilitation,
Government of Tamil Nadu



Shri K.SRIDHAR
Managing Director (Retd)
LIC of India Ltd.



Shri V. NADANASABAPATHY
Dy. General Manager (Retd)
Syndicate Bank



Shri G.R. SUNDARAVADIVEL
Executive Director (Retd)
United Bank of India



Shri L. MUNISHWAR GANESAN
Business Professional



Smt R.S. ISABELLA
Executive Director /
Managing Director In-Charge, Repco Bank



Shri R. VARADARAJAN
Managing Director

OUR MISSION

Translating into reality the aspirations of people to own a house covering the market existing and potential comprehensively through institutional credit support customised to suit individual needs in a transparent and ethical way.

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FINANCIAL HIGHLIGHTS

Particulars	Units	FY13	FY14	FY15	FY16	FY17	FY18	CAGR
Outstanding Loan Book	Rs mn	35,448	46,619	60,129	76,912	89,399	98,568	23%
Sanctions	Rs mn	12,848	18,225	23,999	30,828	28,758	30,793	19%
Disbursements	Rs mn	11,674	17,153	21,812	28,512	26,424	28,065	19%
Income from Operations	Rs mn	4,057	5,342	6,922	8,801	10,442	11,054	22%
Net Interest Income	Rs mn	1,256	1,908	2,373	3,039	3,678	4,286	28%
Profit after tax	Rs mn	800	1,101	1,231	1,501	1,823	2,061	21%
Networth	Rs mn	6,233	7,193	8,102	9,512	10,866	12,535	15%
Debt	Rs mn	30,647	39,020	51,044	65,379	75,604	81,370	22%
RATIOS								
Net interest margin	%	4	4.7	4.5	4.4	4.4	4.6	
Gross NPA	%	1.5	1.5	1.3	1.3	2.6	2.9	
Net NPA	%	1	0.7	0.5	0.5	1.4	1.3	
Return on assets	%	2.5	2.7	2.3	2.2	2.2	2.2	
Return on equity	%	17.4	16.4	16.1	17.7	18.2	17.6	
CRAR	%	25.5	24.5	20.3	20.8	21.3	23.04	

CORPORATE INFORMATION

CORPORATE IDENTIFICATION NUMBER : CIN - L65922TN2000PLC044655

BOARD OF DIRECTORS

• Shri. T.S. KrishnaMurthy	Chairman
• Shri. R.Varadarajan	Managing Director
• Smt. Dinesh Ponraj Oliver, I.A.S	Director
• Shri. K. Sridhar	Director
• Shri. G.R. Sundaravadivel	Director
• Shri. V. Nadanasabapathy	Director
• Shri. L. Munishwar Ganesan	Director
• Smt R.S. Isabella	Director

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

• Shri. K. Sridhar	Chairman of the Committee
• Shri. V. Nadanasabapathy	Member
• Shri. G.R. Sundaravadivel	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

• Shri. G.R. Sundaravadivel	Chairman of the Committee
• Shri. K. Sridhar	Member
• Shri. V. Nadanasabapathy	Member

NOMINATION & REMUNERATION COMMITTEE

• Shri. G.R. Sundaravadivel	Chairman of the Committee
• Shri. K. Sridhar	Member
• Shri. V. Nadanasabapathy	Member

COMPENSATION COMMITTEE

• Shri. G.R. Sundaravadivel	Chairman of the Committee
• Shri. K. Sridhar	Member
• Shri. V. Nadanasabapathy	Member

MANAGEMENT & RISK MANAGEMENT COMMITTEE

• Shri. K. Sridhar	Chairman of the Committee
• Shri. V. Nadanasabapathy	Member
• Shri. G.R. Sundaravadivel	Member
• Shri. R. Varadarajan	Member

CSR COMMITTEE

• Shri. K. Sridhar	Chairman of the Committee
• Shri. V. Nadanasabapathy	Member
• Shri. G.R. Sundaravadivel	Member

SECURITIES ALLOTMENT COMMITTEE

• Shri. T.S. KrishnaMurthy	Chairman of the Committee
• Shri. K. Sridhar	Member
• Shri. V. Nadanasabapathy	Member
• Shri. G.R. Sundaravadivel	Member

CHIEF FINANCIAL OFFICER

Shri. T. Karunakaran

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri. K. Prabhu

SENIOR MANAGEMENT

- | | |
|------------------------|---------------------------|
| • Shri. Yashpal Gupta | Chief Operating Officer |
| • Shri. Arun Mishra | Chief Development Officer |
| • Smt. Poonam Sen | General Manager |
| • Shri. K. Pandiarajan | Assistant General Manager |

REGISTERED OFFICE

Repco Tower
No. 33, North Usman Road,
T. Nagar, Chennai 600 017
Telephone: 044-28340715
Facsimile: 044-28340716

CORPORATE OFFICE

Third Floor, Alexander Square
Old No. 34 & 35, New No. 2
Sardar Patel Road, Guindy, Chennai – 600032
Telephone: 044- 42106650; Mobile: 9444394918
Facsimile: 044 - 42106651
E-mail: cs@repcohome.com
Website: www.repcohome.com

STATUTORY AUDITORS

M/s. S.R. Batliboi & Associates LLP
Chartered Accountants
Firm Registration Number: 101049W/E300004
7th Floor, "A" Block
Tidel Park (Module 601,701, & 702)
No. 4, Rajiv Gandhi Salai, Taramani
Chennai 600 113

DEBENTURE TRUSTEES

M/s. Catalyst Trusteeship Limited
GDA House, Plot No. 85
Bhusari Colony (Right)
Paud Road, Pune - 411 038

REGISTRAR AND SHARE TRANSFER AGENT

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32
Gachibowli, Financial District, Hyderabad - 500032
Telephone: 040-67162222
Facsimile: 040-23001153
e-mail: einward.ris@karvy.com

BANKERS

- Abu Dhabi Commercial Bank
- Andhra Bank
- Axis Bank Limited
- Bank of India
- Canara Bank
- Catholic Syrian Bank Limited
- Corporation Bank
- HDFC Bank Limited
- ICICI Bank Limited
- IDBI Bank Limited
- IDFC bank Limited
- Indian Bank
- Indian Overseas Bank
- Karur Vysya Bank
- Kotak Mahindra Bank Limited
- Lakshmi Vilas Bank Limited
- Oriental Bank of Commerce
- South Indian Bank Limited
- State Bank of India
- Syndicate Bank
- UCO Bank
- Union Bank of India
- United Bank of India
- Vijaya Bank
- Yes Bank Limited

FINANCIAL INSTITUTIONS/MULTILATERAL AGENCIES/OTHER LENDERS

- National Housing Bank
- International Finance Corporation
- Repco Bank
- SBI Life Insurance Company Limited

STOCK EXCHANGES

- National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051
- Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

MANAGEMENT DISCUSSION AND ANALYSIS FY 2017-18

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

Global economic trends were characterised by Trade barriers (Tariff as well as Non Tariff) and a slew of protectionist measures by major economies in particular by USA and China resulting in a build of trade tensions between the World's Largest economies. These pose significant downside risks to the global trade prospects.

According to the Central Statistics Organisation (CSO) and the International Monetary Fund (IMF), India has emerged as the fastest growing major economy in the World. Further the report tips India to become one of the top three economic powers in the world over a horizon of about 15 years, the argument being bolstered by Strong Democratic Framework and partnerships.

Further the CSO estimated that India's GDP growth for FY 2017-18 at 6.6% and the same is estimated to grow at 7.3% in 2018-19. The relatively muted GDP growth was largely attributable to disruptive impact of the implementation of the Goods and Services Tax (GST) and the overhangs of the demonetisation (resulting in a beginning of a paradigm shift towards cashless transactions through debit/credit cards, mobile / internet banking/ e-wallets).

The Real Estate (Regulation and Development) Act, 2016 which seeks to ensure that the real estate sector operates in an efficient and transparent manner and protect the interests of the Consumers (as stated in the Act's preamble) came into effect on May 1, 2017. The implementation has been bogged down in various states due to reasons such as certain states are yet to frame the rules stipulated under the said Act, appointment of a permanent regulatory authority and setting up of an online portal etc. A significant prescription of the Act requires developers to park 70% the funds received for a project in a separate escrow account. This measure

seeks to curb the practice of diversion of funds which ultimately results in ensuring that project delays are eliminated.

2. OPPORTUNITIES AND THREATS IN THE HOUSING FINANCE SECTOR

OPPORTUNITIES:

Government's Initiatives

The housing demand in the real estate sector is quite robust largely due to the growing population (Growth at 1.3% per annum) in India which is complimented by acute housing shortage of 40 million houses (both urban and rural), favourable demographics, rise of concept of nuclear families, migration to urban areas, fiscal benefits, rising income aspirations could lead to a further demand for another 10 million houses. Now the builders have shifted their thrust from luxury and mid-end houses to affordable housing which has received some significant impetus from the Government through its initiatives.

Housing for All 2022:

The Government of India has launched a comprehensive mission "Housing for all by 2022". The mission seeks to address the housing requirement of urban poor including slum dwellers through following programme verticals:

- Slum rehabilitation of Slum Dwellers with participation of private developers using land as a resource
- Promotion of Affordable Housing for weaker section through credit linked subsidy
- Affordable Housing in Partnership with Public & Private sectors
- Subsidy for beneficiary-led individual house construction

The Mission will be implemented during 2015-2022 and it will provide central assistance to implementing agencies through States and UTs for providing houses to all eligible families/beneficiaries by 2022.

Pradhan Mantiri Awas Yojana - Credit Linked Subsidy Scheme (PMAY-CLSS)

With an objective to expand institutional credit flow to the housing needs of urban poor, the Government of India (GoI) has launched the Credit Linked Subsidy Scheme (CLSS) under its Housing for all Mission. Credit linked subsidy will be provided on home loans taken by eligible urban poor (Economically Weaker Section/ Lower Income Group and Middle Income Group) for acquisition, construction and improvement of the beneficiaries' first house. The scheme is implemented through Nodal agencies like National Housing Bank (NHB) and HUDCO.

Under this scheme, Beneficiaries of Economically Weaker section (EWS) and Low Income Group (LIG) seeking housing loans from financial institutions would be eligible for an interest subsidy at the rate of 6.5 % for tenure of 20 years or during tenure of loan whichever is lower. The subsidy will be available only for loan amounts upto Rs 6 lakhs and loans beyond Rs. 6 lakhs, if any, will be at nonsubsidized rate. Similarly, Beneficiaries of Middle Income Group (MIG) seeking housing loans from financial institutions would be eligible for an interest subsidy at the rate of 4 % or 3 % for tenure of 20 years or during tenure of loan whichever is lower. The subsidy will be available only for loan amounts upto Rs 9 lakhs or Rs 12.00 lacs respectively and loans beyond the limits, if any, will be at nonsubsidized rate.

Our Company RHFL being a prime lending institution has signed MoU with NHB for successful implementation of the scheme.

The aforesaid Government Initiatives stimulate demand for housing and these serve as a fillip to the sector.

Underpenetrated Market:

Going by the metric of mortgage to GDP ratio, the Indian Mortgage Market is underpenetrated relative to global peers and significant growth is expected on this front translating into good growth rates going forward.

Urbanization:

Notwithstanding that the growth in population may be showing a decelerating trend, the rapid urbanization in the country is showing a steady growth reflecting favourable prospects for the sector.

Favorable Demographics:

About 67% of our country's population is comprised of persons who are in the mid-thirties age group and given that house purchase decisions are made roughly during this period presents a large opportunity for the sector.

Tax Benefits:

Home loan principal repayment upto Rs. 1.5 lakhs (Section 80C of the Income Tax Act) and interest payment upto Rs. 2 lakhs are eligible for tax deduction. First time affordable home buyers will receive an additional deduction of Rs. 0.5 lakhs (Section 80EE of the Income Tax Act).

THREATS

- Economic slowdown and return of high interest rate scenario could adversely impact the demand for housing and housing finance
- Company's ability to raise resources at competitive rates in an adverse scenario
- Company's ability to hire and train manpower for achieving company's growth objectives outside southern India
- Sizeable exposure to non-salaried segment could exert pressure on the company's asset quality under unfavourable economic conditions
- Inability of government to push through the envisaged reforms could result in significant opportunity cost

STRENGTHS AND WEAKNESS

Strengths

- There are abundant opportunities to tap in the affordable housing space the company is present in. More so, in the backdrop of governmental focus on affordable housing

- For the first time ever we have a situation where supply side bottlenecks in the affordable housing space have been taken care of by giving financial sops to developers
- Focus on tier II and tier III cities and peripheral areas of tier I cities results in less competition from banks and other HFCs leading to possibility of high advances growth
- The company has over the years gained significant insights in underwriting the risks involved in lending to non-salaried class, which is highly underpenetrated, relatively less competitive and offers higher yields
- Proven track record of containing loan losses at very low levels
- Low operating cost structure –3-5 employees per branch on average, lower rentals in tier 2/3 cities, minimum commission expenses, etc.
- Strong Tier 1 capital position; CAR – 23.04%
- Expanding footprint – sowing the seeds for the future

Concerns/Weakness

- Over 90% of the loan book coming from four southern states points to existence of significant concentration risk
- High exposure to Tamil Nadu increases company's susceptibility to state specific factors.
- Significant exposure to non-salaried segment can cause problems if a macroeconomic factor affects the livelihood of self-employed segment of the population.
- Credit rating of AA assigned by CARE Ratings and AA - assigned by ICRA constrain company's ability to optimize cost of capital market borrowings in an environment where average marginal cost of lending rate of banks is higher than interest rates prevalent in capital market and money market
- Higher NPAs and lower provision coverage vis-à-vis the industry

OUTLOOK

- Going forward, loan book growth of the company would be driven by its branch expansion strategy with focus on customer base expansion, ability to deepen its presence in existing geographies, ability to quickly understand credit cultures of new states so it can venture into new territories.
- Continue to target markets that are relatively under penetrated (lower competition, better yields)
- Continue to maintain an optimal blend of non-salaried and salaried loans in the loan book
- Maintain the non-housing book at the present level with renewed focus on small ticket loans
- Deepen penetration in southern region markets and gradually expand into other regions/states on a contiguous basis.
- Diversify sources of borrowings and effectively manage borrowing cost. The company has untapped avenues in the form of securitization of loan assets, external commercial borrowings.
- Exercise strict control on operating costs and improve employee productivity
- Give strong focus on improving the asset quality
- Innovative marketing strategies including deployment of Direct Selling Agents

CORPORATE OVERVIEW

The company is present in 2 segments – individual home loans and loans against property (LAP). The company provides a variety of tailor-made home loan products to individual borrowers in both salaried and non-salaried (self employed professional and self employed non-professional) segments to suit various requirements

For construction or purchase of house property

- Repco Super Delight Loan
- Repco Super Premium Loan
- Repco Rural Loan
- Dream Home Loan
- Super Loan*
- Fifty Plus Loan
- NRI Housing Loan

For Repair and Renovation/ Extension of existing property

- Home Makeover Loan
- Super Loan*
- Repco Rural loan*

For purchase of plots

- Plot Loans

For loans against property

- Prosperity loan
- New Horizon Loan
- Commercial Real Estate (CRE) Loan

* Overlapping multi-purpose products

GEOGRAPHIC PRESENCE

160 points of presence comprising of 131 branches and 29 satellite centers; presence in 11 states and a union territory; focus on direct sourcing

During the year, the company converted 3 satellite centers into branches, opened 3 new branches and 1 new satellite center, taking the total network to 131 branches and 29 satellite centers. The company didn't venture into a new state during the year with a view to consolidate in existing regions. The retail network is spread across states of Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Kerala, Maharashtra, Odisha, West Bengal, Gujarat, Madhya Pradesh, Jharkhand and the Union Territory of Puducherry.

State-wise retail network	Mar-18
Tamil Nadu	79
Andhra Pradesh	15
Telangana	7
Gujarat	9
Karnataka	21
Kerala	9
Maharashtra	13
Odisha	2
Puducherry	1
West Bengal	2
Madhya Pradesh	1
Jharkhand	1
Total	160

The company's primary sources of customer acquisition continue to be loan camps, customer walk-ins and referrals. Of these, loan camps contribute to over 60% of incremental originations. Manager of every branch conducts a loan camp once in every 2-3 months where, a primary assessment of customer documents is done and an in-principle sanction given. The customer then approaches the branch for further processing of his/her loan. The branch personnel act as single point of contact to customers and are responsible for sourcing loans, carrying out preliminary checks on the credit worthiness of potential customers, providing assistance in documentation, disbursing loans and monitoring repayments and collections. This way the company ensures that there is no conflict of interest and level of accountability is very high. The compensation structure of branch personnel is designed in such a way that 30% of monthly compensation is variable and is paid out based on the performance of employees in, among other things, disbursement growth, loan book growth and collections.

The company employed direct sales agents (DSAs) in some branches of Tamil Nadu, Maharashtra and Gujarat during the year and is open to using the DSA model in new and existing geographies if it makes economic sense. The share of DSA driven business continues to be less than 5% of total incremental business.

RESULT OF OPERATIONS

The company reported satisfactory performance and demonstrated its ability to create value for its stakeholders even during uncertain times. The loan book grew at a decent rate given the macroeconomic conditions. However, profitability metrics remained robust even as the asset quality deteriorated in response to external shocks.

- Income from operations during the year stood at Rs 1,105.43 Crs up 6% from last year
- Other Income stood at Rs.2.30 Cr
- Net interest income was Rs 428.63 Crs, up 16%

- PAT was Rs. 206.12 Crs, up 13% from the previous year.
- Cost to Income ratio stood at 17%.
- Sanctions and disbursements were Rs. 3,079.26 Crs and Rs. 2,806.51 Crs respectively
- Loan book increased to Rs 9,856.78 Crs, registering a growth of 10% year on year
- GNPA's stood at 2.87% and NNPA's at 1.29%, resulting in a PCR of 55.61%
- The average yield earned on loan assets during the year was 11.60%
- The average cost of borrowings during the year was 8.36%
- The interest spread earned during the year expanded to about 3.24%.

RISK MANAGEMENT

The company's business activities expose it to a variety of risks including credit risk, operational risk and interest rate risk. Risk management forms an integral part of company's business. The objective of the Company's risk management system is to measure and monitor various risks and to implement policies and procedures to mitigate such risks.

The company recognizes that identification of risk is most important function in managing and mitigating the risk. The company identifies the risks in each function / activity. In this process, inputs from all the departments are taken and their viewpoints are considered in totality to do a meaningful analysis for the organization.

The company analyzes risks in terms of consequence and likelihood of its impact. The analysis considers the range of potential consequences and likelihood of those consequences to occur.

The company recognizes that risk cannot be eliminated while doing business. In fact, risk has to be leveraged to the potential extent. Taking various factors such as strengths, weaknesses, opportunities and threats, the company assesses and arrives at the risk appetite to maximize the benefits. It is imperative that the level of

risk has to be measured and evaluated to take calibrated measures to manage the risk at the appropriate level.

Rigorous credit appraisal keeps credit risk in check

The 2-tier credit appraisal process – at branch and head office level – ensures high level of checks. A preliminary appraisal is performed by the branch manager, branch-level valuers and lawyers. This again is revalidated at the corporate office level before sanction. Each borrower is rated based on a dynamic credit rating model comprising of 18 parameters carrying different weights. The interest chargeable is linked to the credit score. The company maintains a conservative loan to value (LTV) and documented installment to income ratio (IIR) on the loans. The average LTV was 59% at the forced sale value and average documented IIR was 35% as on March 31, 2018.

Operational risk is mitigated using various tools

An ongoing monitoring of loan accounts is ensured along with inspection of each branch by an internal inspection team and risk based audit by an external audit firm at regular intervals. Concurrent audit is done at key branches identified in terms of loans outstanding. Senior company officials also make surprise visits to branches to check if all processes and best practices are followed.

To improve operational efficiency, quarterly Board level discussions are held on reports shared by recovery officers, external audit firm and vigilance officer, who oversee monitoring of company's offsite transactions and Know Your Customer related compliance. New learning is put to use immediately.

Performance review of all branch personnel is undertaken twice a year by senior management team. It is a platform where performers are rewarded in front of all employees and others are motivated to do their job efficiently.

Interest rate risk

The Company has formulated an asset liability management (ALM) policy, which lays down

mechanisms for assessment of various types of risks and altering the asset-liability portfolio in a dynamic way to manage such risks. There is an on-going monitoring of the maturity profile of assets and liabilities by Asset Liability Management Committee (ALCO) - a strategic decision making body constituted by the Board, to mitigate the risks arising from cash flow mismatches, comprising of the Managing Director, Executive Director and Chief Financial Officer of the Company.

At any point in time, an optimal balance between short term and long term borrowings is maintained in sync with extant asset and liability profile. Most of the long term borrowings and on-lending happen at floating rates, which act as a hedge in times when interest rate volatility is high.

BORROWING PROFILE

The company has diversified its sources of funding across five verticals viz. refinance from NHB, long-term bank loans, working capital loan from Repco Bank, non-convertible debentures (NCDs) and commercial papers (CPs).

As of 31st March, 2018, 54.51% of company's borrowings were from banks, 11.58% by way of refinance from the National Housing Bank (NHB), 7.65% from Repco Bank, 16.43 % from NCDs and 9.83% by way of CPs. In order to meet liquidity requirements, the company took advantage of favorable rates available in the money market by issuing CPs to the tune of Rs.2,350 Crs during the financial year. The total outstanding borrowings stood at Rs. 8,137.01 Crs as against Rs. 7,560.43 Crs in the previous year.

Going forward, if the prevalent low interest rate scenario continues, the share of NCD and CP borrowings is likely to go up to be offset by declining share of bank borrowings.

As of March 31, 2018, 34.69% of overall borrowings were on fixed rate basis and 65.31% floating rate basis. The average tenor on borrowings was 7.7 years.

Source (Rs.Crs)	Rs. Crs	%
National Housing Bank	942.31	11.58%
Repco Bank	622.68	7.65%
Commercial Banks	4,435.02	54.51%
Non-Convertible Debentures	1,337.00	16.43%
Commercial Papers	800.00	9.83%
Total	8,137.01	100.0%

CREDIT RATING

The company's short term and long term debt facilities are rated by two rating agencies – CARE Ratings & ICRA.

In FY18, credit rating agency CARE Ratings maintained the AA rating assigned to company's term loan and non-convertible debenture facilities. Company's commercial paper facility continues to enjoy A1+ rating by CARE Ratings.

Rating agency ICRA maintained AA- rating assigned to company's term loan and non convertible debenture facilities and A1+ assigned to company's commercial paper facility.

CAPITAL ADEQUACY

RHFL's capital adequacy ratio (CAR) as at March 31, 2018 was 23.04% consisting entirely of Tier-1 capital. Over the medium term, the company has plans to securitize its loan assets and issue Tier-2 bonds (as and when required) to maintain its capital adequacy to support its growth ambitions.

ASSET QUALITY

Over the years, the company has developed robust risk management systems & processes in all areas of operations like loan origination, credit appraisal, loan disbursement and collection & recovery.

Cumulative write down of only about Rs. 36 Crs (including assets technically written off) till date bears testimony to the aforementioned statement. However, given the tilt of the loan book towards the unsalaried segment and focus on Tier 2 & 3 areas of the country, the asset quality of the book exhibits volatility

intra-year. The ebb and flow of asset quality showed an aberration in FY17 owing to a Tamil Nadu State specific factor (interpretation of Madras High Court order pertaining to registration of unapproved plots) and the macroeconomic impact of the landscape altering demonetization drive.

Gross non-performing assets (GNPA) and net non-performing assets (NNPA) are 2.87% (Rs. 282.65 Crs) and 1.29% (Rs.125.48 Crs) respectively as on 31st March 2018 as compared to 2.60% (Rs. 232.8 Crs) and 1.39% (Rs. 122.73 Crs) in the previous year.

The provision coverage ratio stood at 55.61% at the end of FY18.

As on March 31, 2018, RHFL had 57.10% loan book exposure to non-salaried segment (consisting of professionals and non-professionals). Generally, income profile of the non-salaried segment tends to be lumpy which leads to significant quarter-on-quarter volatility in NPAs. However, such volatility in NPA profile

is not representative of the true asset quality given conservative underwriting policies of the Company.

INVESTMENTS

The Company has investments in the equity of unlisted associate company, Repco Micro Finance Limited to the extent of Rs.15.60 Crore (1,56,00,000 equity shares of Rs.10/- each).

PERFORMANCE SUMMARY

Ratio of income and expenses to average loan assets (ROA Tree)

Metric	FY16	FY17	FY18
Net interest margin	4.4%	4.4%	4.6%
Other income	0.5%	0.4%	0.3%
Non-interest expenses	0.9%	0.8%	0.8%
Credit cost	0.6%	0.6%	0.7%
Income Tax	1.2%	1.2%	1.2%
Return on assets	2.2%	2.2%	2.2%

5 YEAR HISTORICAL PERFORMANCE AT A GLANCE

Particulars	Units	FY13	FY14	FY15	FY16	FY17	FY18	CAGR
Outstanding Loan Book	Rs mn	35,448	46,619	60,129	76,912	89,399	98,568	23%
Sanctions	Rs mn	12,848	18,225	23,999	30,828	28,758	30,793	19%
Disbursements	Rs mn	11,674	17,153	21,812	28,512	26,424	28,065	19%
Income from Operations	Rs mn	4,057	5,342	6,922	8,801	10,442	11,054	22%
Net Interest Income	Rs mn	1,256	1,908	2,373	3,039	3,678	4,286	28%
Profit after tax	Rs mn	800	1,101	1,231	1,501	1,823	2,061	21%
Networth	Rs mn	6,233	7,193	8,102	9,512	10,866	12,535	15%
Debt	Rs mn	30,647	39,020	51,044	65,379	75,604	81,370	22%

RATIOS

Net interest margin	%	4	4.7	4.5	4.4	4.4	4.6	
Gross NPA	%	1.5	1.5	1.3	1.3	2.6	2.9	
Net NPA	%	1	0.7	0.5	0.5	1.4	1.3	
Return on assets	%	2.5	2.7	2.3	2.2	2.2	2.2	
Return on equity	%	17.4	16.4	16.1	17.7	18.2	17.6	
CRAR	%	25.5	24.5	20.3	20.8	21.3	23.04	

INTERNAL AUDIT & CONTROL

The Company has put in place organized and effective internal control systems. The company gets internal audit done by an external chartered accountant firm twice every year. Besides, efforts are made to carry out a full-fledged inspection of every branch once in a year by the corporate office inspection team. There are stringent systems in place to ensure that the assets and properties of the Company are utilized in the best interest of the Company. The internal control systems and internal auditor's reports are reviewed by the Audit Committee of the Board at regular intervals so as to ensure transparency and proper compliances.

INFORMATION TECHNOLOGY

All branches of the company are connected wirelessly with the head office at Chennai. One of the USPs of the company is quick processing of loan applications, which is facilitated by the company's robust IT infrastructure that ensures all borrower specific documents are transferred online. Automated SMS alerts are also sent to borrowers to remind them of upcoming payments so they can ensure availability of sufficient funds in their bank accounts. The company's ability to operate and remain competitive depends in

part on its ability to maintain and upgrade information technology systems and infrastructure on a timely and cost-effective basis, including ability to process a large number of transactions on a daily basis. An Information Technology audit is conducted every year via an external agency to ensure safety of protocols and data.

HUMAN RESOURCES

The Company believes in attracting, nurturing and retaining a qualitative workforce to accomplish its long-term objectives. To achieve this, the company provides the necessary internal and external training to keep employees updated in tune with prevailing benchmark practices in the housing finance industry. The Company provides a professional work environment and maintains healthy relations with its employees. As on March 31, 2018, the company had 785 employees on its rolls.

For and on behalf of the Board of Directors

(R. Varadarajan)
Managing Director
August 13, 2018

DIRECTORS' REPORT

TO THE MEMBERS

The Company's financial performance for the financial year ended March 31, 2018, is summarized below:

(Rs in crore)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Profit Before Tax	314.29	280.17	314.29	280.17
Less : Provision for Taxation				
Current Year	102.38	94.00	102.38	94.00
Deferred	5.79	3.92	5.79	3.92
Profit after tax	206.11	182.25	206.11	182.25
Add : Net share of profit from Associate	-	-	9.20	5.40
Add : Balance brought forward from the previous year	235.95	161.26	248.27	169.66
Less: Utilised during the current year for depreciation charged in accordance with Schedule II Companies Act 2013	-	-	-	-
Less: Dividend received from Associate credited to carrying value of investment	-	-	2.25	1.49
Amount available for appropriations	442.06	343.51	461.33	355.83
Appropriations				
Transferred to additional reserve U/s 29C of the NHB Act, 1987	41.23	36.46	41.23	36.46
Transferred to Statutory Reserve under Section 36(1)(viii) of the Income Tax Act, 1961 read with Section 29C of National Housing Bank Act, 1987	55.65	51.10	55.65	51.10
Transferred to General Reserve	20.00	20.00	20.00	20.00
Dividend for previous year (including dividend distribution tax)	15.06	-	15.06	-
Balance carried over to Balance Sheet	310.12	235.95	329.39	248.27
Total	442.06	343.51	461.33	355.83
Earnings Per Share:				
Basic (Rs.)	32.95	29.13	34.42	30.00
Diluted (Rs.)	32.95	29.13	34.42	30.00

DIVIDEND

Your Directors recommend a dividend of Rs.2.20 per equity share of face value of Rs.10.00 each for the year ended 31 March 2018 as against a dividend of Rs.2 per equity share of face value of Rs.10.00 each for the previous year. The dividend payout ratio for the year is 8.04% (amounting to Rs.16.57 crore, inclusive of Tax on dividend) as against 8.26% (amounting to Rs. 15.06 crore, inclusive of Tax on dividend) in the previous year.

In compliance with requirements stipulated vide SEBI notification no. SEBI/ LAD-NRO/GN/2016-17/008 dated July 8, 2016 and Regulation 43A of the SEBI(LODR) Regulations, 2015; the Dividend Distribution Policy

of the Company is available on the website of the Company and has been provided as Annexure - 1 to this report.

TRANSFER TO RESERVES

During the year under review, your Company transferred Rs. 20.00 crore to the General Reserve, Rs. 55.65 crore to the Statutory Reserve under Section 36(1)(viii) of the Income Tax Act, 1961 read with Sec 29 C of NHB Act, 1987 and Rs. 41.23 crore to additional reserve under Sec 29C of NHB Act, 1987, out of the amount available for appropriation. An amount of Rs. 310.12 crore is proposed to be retained in the profit and loss account.

CHANGES IN SHARE CAPITAL

During the financial year, there was no change in the Paid up capital of the Company. As at 31st March 2018, the Paid up capital stood at Rs. 62,56,13,620 divided into 6,25,61,362 Equity shares of Rs. 10 each

STATE OF AFFAIRS OF THE COMPANY

The Company endeavors towards adopting the benchmark underwriting practices backed up by robust monitoring and recovery mechanisms. The Company is committed in its efforts towards improving efficiency and service level in its operations.

LENDING OPERATIONS

1) Sanctions

During the year, loan approvals stood at Rs.3,079.26 crore as compared to Rs. 2,875.75 crore in the previous year. The cumulative loan sanctions since inception of the Company stood at Rs. 18,682.58 crore at the end of the financial year 2017-18.

2) Disbursements

During the year under review, the Company disbursed loans to the extent of Rs.2,806.51 crore as against Rs.2,642.39 crore in the previous year. The Cumulative disbursements stood at Rs.17,180.95 crore in respect of 1,35,463 accounts at the end of the financial year 2017-18.

3) Loans Outstanding

The loan book of the Company at the end of financial year 2017-18 was Rs.9,856.78 crore as against Rs.8,939.91 crore in the previous year representing a growth of 10.26%.

NON PERFORMING ASSETS

As of 31 March 2018, the gross NPA of the Company was Rs.282.65 crore (previous year Rs. 232.84 crore) constituting 2.87% (previous year 2.60%) of the total loans outstanding. Net NPA of the Company as at March 31, 2018 was 1.29% as against 1.39% in the corresponding period of the previous year. The NPA provision coverage ratio stood at 55.61% (previous year 47.29%) as at 31st March 2018. The Company carries a provision of Rs.157.17 crore (previous year Rs. 110.11 crore) towards its Non Performing Assets at the end of the financial year 2017-18. During the period under review, the Company has written off Rs.15.77 crore (previous year Rs.0.50 crore) from its books.

REGULATORY COMPLIANCE

The Company is in compliance with the guidelines, circulars and directions of National Housing Bank. The Company

is also in compliance with the Companies Act 2013, guidelines, directions and circulars of MCA, SEBI etc. The Company complied with Mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, and other related statutory Guidelines / Directions as applicable to the Company from time to time. The Company is registered with the Central Registry of Securitization, Asset Reconstruction and Security Interest of India (CERSAI) and furnishes information in respect of its loans. Compliance of all regulatory guidelines to NHB / other status are periodically reviewed at Audit Committee / Board of the Company.

The Company's capital adequacy ratio as on 31 March 2018 was 23.04% (previous year 21.25%) which is well above the prescribed 12% threshold as per NHB Directions. This consisted entirely of Tier 1 capital.

Complying with the provisions of the directions of the National Housing Bank, a provision of Rs.2.10 crore (previous year Rs. 5.23 crore) being charged to statement of Profit & Loss Account of the financial year 2017-18 in respect of standard assets and the cumulative provision in respect of standard assets stood at Rs.42.33 crore (previous year Rs. 40.24 crore) as at 31st March 2018.

The company has taken steps to adopt Ind-AS as notified by the MCA.

FINANCIAL RESOURCES

REFINANCE FROM NHB

During the year the Company has not availed any refinance facility (previous year Rs. 500 crore) from National Housing Bank. The refinance outstanding at the end of the year was Rs. 942.31 crore (previous year Rs. 1,170.10 crore)

TERM LOANS FROM BANKS AND FINANCIAL INSTITUTIONS

The outstanding borrowings from Banks and Financial Institutions (terms loans and overdraft) at the end of the financial year stood at Rs. 5057.70 crore (previous year Rs. 5,255.33 crore).

SECURED NON CONVERTIBLE DEBENTURES

During the year, the company has issued SRNCDs aggregating to Rs. 652 crores (previous year Rs. 385 crores). The outstanding SRNCDs as on 31st March 2018 was Rs.1337 crores (previous year Rs. 785 crores). These instruments have been rated "ICRA AA-" by M/s. ICRA Ltd., and "CARE AA" by M/s. CARE Ltd.,

COMMERCIAL PAPERS

The Company's commercial paper is rated A1+ by M/s. ICRA Ltd., and CARE Ltd., implying highest safety. During the financial year 2017-18, the Company has raised funds amounting to Rs. 2,350 crores (previous year Rs. 1,400 crores) by way of issuance of commercial paper. After repayments on maturity, the net amount outstanding as at 31st March 2018, was Rs.800 crores. (Previous year NIL).

UNCLAIMED NCDS

According to section 125 of the Companies Act, 2013, NCDs and interest thereon remaining unclaimed and unpaid for a period of seven years from the date they became due are required to be credited to the Investor Education and Protection Fund (IEPF) set up by the Government of India. As at 31 March 2018 there are no non convertible debentures amount or interest thereon remaining unpaid or unclaimed.

DISCLOSURE UNDER HOUSING FINANCE COMPANIES ISSUANCE OF NON CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS, (NHB) DIRECTIONS 2014.

There are no Non Convertible Debentures which have not been claimed by the Investors or which were not paid by the Company after the date on which the Non Convertible Debentures became due for redemption. During the year, the company redeemed NCD's amounting Rs. 100 crore pursuant to maturity. Further the Company has paid the interest on respective due dates.

UNCLAIMED DIVIDENDS

As of 31 March 2018, dividend amounting to Rs.1,35,382 (previous year Rs. 46,432) has not been claimed by the investors. According to section 125 of the Companies Act, 2013 dividends remaining unclaimed for a period of seven years from the date they became due are required to be credited to the Investor Education and Protection Fund (IEPF) set up by the Government of India. In accordance with the Investor Education Fund (Uploading of information regarding unpaid and unclaimed amount lying with the Companies) Rules 2012, the Company has uploaded this information on www.iepf.gov.in and www.repcohome.com/new_site/unclaimed_dividend.php.

PUBLIC DEPOSITS

The Company has not accepted deposits from the public during the financial year 2017-18.

RISK MANAGEMENT

The Company has in place a risk management policy framework which has been approved by the Board of

Directors. The framework identifies various risks faced by the Company and puts in place appropriate mitigants.

The Company has in place a Management & Risk Management committee comprising of Shri K. Sridhar, Shri G.R. Sundaravadiel, Shri. V. Nadasabapathy and Shri R. Varadarajan.

HUMAN RESOURCES

The objective of human resource development in an organization is to enhance human productivity through progressive and consistent policies in knowledge & skill upgradation and betterment of employment conditions at all levels. Human Resource Management's objective is to maximize the return on investment from the organization's human capital. It is the responsibility of human resource/development department in a corporate context to conduct these activities in an effective, legal, impartial and cohesive manner.

Your Company worked tirelessly towards the performance upgradation of its employees by introducing objective performance appraisal mechanism and performance linked incentive structure. Employees are also nominated regularly to attend various training programmes conducted by NHB, ICSI & other capacity building institutions besides in-house training programmes for constant skill upgradation. During the financial year the Company conducted 15 (including online training) in-house training programmes and employees were nominated for 11 external programmes.

The Company provides a professional work environment and maintains a healthy relation with its employees.

As on 31 March 2018, the number of people employed by the Company stood at 785.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18

- No. of complaints received: Nil
- No of complaints disposed off: Not Applicable

PARTICULARS OF EMPLOYEES COVERED UNDER COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014.

There were no employee who was in receipt of remuneration of Rs 1.02 crore or more per annum.

In accordance with the provisions of section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the name and other particulars of such employees are set out in the annex to the Directors' Report. However, as per the provisions of section 136 of the Companies Act, 2013, the Directors' Report is being sent to all shareholders of the Company excluding the annex.

The annex is available for inspection by the members at the registered office of the Company during business hours on working days up to the date of ensuing Annual General

Meeting. Any shareholder interested in obtaining a copy of the said annex may write to the Company Secretary at the registered office of the Company.

CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013 and the rules framed thereunder, the Company has in place a Corporate Social Responsibility Committee of Directors comprising of Shri. K. Sridhar, Shri. G.R. Sundaravadivel and Shri. V. Nadasabapathy and has inter alia formulated a Corporate Social Responsibility Policy.

This Committee envisages the activities to be undertaken in pursuance of CSR initiatives. During the year the Company spent a sum of Rs.0.14 crore towards CSR initiatives. The Annual Report on CSR activities forming part of the Directors' Report is furnished as Annexure-2 to this report.

EMPLOYEE STOCK OPTION SCHEME:

The employee stock options have been granted to the eligible employees and the Managing Director in pursuance of "Repco Home Finance Limited Employees Stock Option Scheme -2013". There are no material changes to this scheme and the said scheme is in compliance with the extant regulations prescribed by the Securities and Exchange Board of India in this regard. The disclosures as prescribed by the "Guidance Note on accounting for employee share based payments" issued by ICAI and the Diluted EPS on issue of shares pursuant to the Scheme in accordance with the Accounting Standard 20- Earnings per share" issued by ICAI are disclosed on the website of the Company. The disclosures as required by the Securities and

Exchange Board of India (Share Based Employee Benefits) Regulations 2014 have been placed on the website of the Company.

PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

Particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules 2014 are not applicable to the Company and further the Company has no foreign exchange earnings but incurred foreign exchange expenditure to the extent of Rs.0.004 crore (previous year Rs. 0.04 crore) towards travelling expenses and Rs. 2.82 crore towards other borrowing costs.

DIRECTORS

In accordance with Section 152 of the Companies Act, 2013, Smt. R.S. Isabella, Director of the Company is liable to retire by rotation at the ensuing annual general meeting and is eligible for reappointment. The resolution for her re-appointment forms a part of the notice convening the Annual General Meeting. The details pertaining to the re-appointment are elucidated in the explanatory statement to the notice convening the Annual General Meeting.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The details of familiarization programmes conducted for Independent Directors is put up on the website of the Company.

DETAILS OF MANAGERIAL REMUNERATION AS REQUIRED UNDER COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The particulars of managerial remuneration as required by under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure-3.

AUDITORS

At the 17th Annual General Meeting held on 21 September 2017, the members had appointed M/s. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/ E300004) as Statutory Auditors for a term of five years beginning from the conclusion of the 17th Annual

General Meeting till the conclusion of the 22nd Annual General Meeting.

The Statutory Auditors have not made any adverse comments or given any qualification, reservation or adverse remarks or disclaimer in their Audit Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (3) (C) of the Companies Act, 2013, and based on the information provided by the Management, your Directors hereby confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed;
- (b) Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company as at 31 March 2018 and of the profit and loss of the Company for that date;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts of the Company have been prepared on a going concern basis;
- (e) Internal financial controls have been followed by the Company and such internal financial controls are adequate and were operating effectively.
- (f) Systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

INTERNAL CONTROL SYSTEMS

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board every quarter or at periodic intervals.

EXTRACTS OF THE ANNUAL RETURN (FORM MGT-9)

In accordance with Sec 134 (3) (a) of the said Act, amended provision, the provisional Annual Return in the prescribed

format has been made available on the website of the Company at www.repcohome.com. The extract of Annual return is annexed to this report as Annexure-4.

SECRETARIAL AUDIT REPORT

In accordance with Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, M/s. G Ramachandran & Associates, Company Secretaries were appointed by the Company to undertake Secretarial Audit of the Company. The Secretarial Audit Report is annexed to this report as Annexure-5.

Explanation on comments by the Board on Every qualification, reservation on adverse remark or disclaimer made by Auditor /Secretarial Auditor.

Neither the statutory auditor nor the secretarial auditor have made any qualification, reservation or adverse remark or disclaimer in their respective reports.

DETAILS OF LOANS GIVEN, GUARANTEES GIVEN OR SECURITY PROVIDED

The provisions contained in Section 186(11) of the Companies Act, 2013, relating to loans, guarantees or securities do not apply to the Company.

INVESTMENTS

The Company has investments in the equity of unlisted associate company, Repco Micro Finance Limited to the extent of Rs. 15.60 Crore (1,56,00,000 equity shares of Rs. 10/- each).

SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, your Company has prepared Consolidated Financial Statements of the Company which forms part of this Annual Report. Further, a Statement containing salient features of financial statements of the Subsidiary, joint venture entities and associate Companies in the prescribed format AOC-1, pursuant to Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed as Annexure-6 to this Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)

All the related party transactions entered during the year were in ordinary course of business and on arm's length basis. The Company has obtained the shareholders' approval for material related party transactions as required under Listing Regulations.

The Company presents a statement of all related party transactions before the Audit Committee. The details of such transactions are given in the accompanying financial statements.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN 31ST MARCH 2018 AND THE DATE OF BOARD'S REPORT.

There has been no material changes and commitment, affecting the financial position of the Company which has occurred between the end of the financial year to which the financial statements relate and the date of the report.

The Company does not have any subsidiary. There has been no change in the nature of business of the Company. No significant or material Orders have been passed by the regulators or Courts or Tribunals impacting the going concern status of the Company and / or the Company's operations in future.

MANAGEMENT DISCUSSION AND ANALYSIS

In accordance with the SEBI (LODR) Regulations, 2015, Management Discussion and Analysis Report for the year under review, is presented in a separate section which forms a part of this report.

REPORT ON CORPORATE GOVERNANCE

In accordance with the SEBI (LODR) Regulations, 2015, the report on corporate governance for the year under review is presented in a separate section which forms a part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Board of Directors has approved the vigil mechanism/ whistle blower policy of the Company which provides a framework to promote a responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company. It provides for a vigil mechanism to channelize reporting of such instances/ complaints/ grievances to ensure proper governance. The Audit Committee oversees the vigil mechanism. No employee has been denied access to the Audit Committee. The policy is placed on the website of the Company, www.repcohome.com/new_site/corporate_governance.php.

LISTING

The shares of your Company are listed at National Stock Exchange Limited and Bombay Stock Exchange Limited. Listing fee has already been paid for the financial year 2018-19.

DETAILS OF NON-COMPLIANCE, PENALTIES, IMPOSED ON BY ANY STATUTORY AUTHORITY

Pursuant to the inspection observations with reference to the financial position of the Company as at 31-03-2016, National Housing Bank levied penalty aggregating to Rs.35,000/- and GST thereon, with respect to the contraventions on (i) Income Recognition (Para-22); (ii) Assets Classification (Para-27); (iii) LTV Norms (Para-27A) (iv) Assigning wrong risk-weight resulting in incorrect CAR computation (Para-30); (v) Shortfall in Provisioning (Para-28) of the Housing Finance Companies (NHB) Directions 2010 and also (vi) disbursement of loans on the property for which the approved plan was not available (Policy Circular No.18) (vii) Guidelines on Fair Practices Code.

OTHERS

Related Party Transaction Policy

As required by NHB notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017, a policy on Transactions with Related Parties is given as 'Annexure-7' to this report.

Business Responsibility Reporting

In accordance with the requirement under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) (LODR) Regulations, 2015, Business

Responsibility Report forms part of the Directors' Report and is annexed as 'Annexure-8' to this report.

ACKNOWLEDGEMENTS

The Directors of your Company wish to place on record their sincere gratitude to the National Housing Bank and its Executives for continuous guidance and support. We also record our gratitude to our bankers, financial institutions and insurance companies for their continued trust, support and assistance given to the Company.

The Board places on record its sincere gratitude to Ministry of Home Affairs, GOI, SEBI, NSE, BSE, Department of Company Affairs, REPCO Bank, shareholders, Government, local/statutory authorities, customers and all the other stakeholders for their patronage and support for the achievements by the Company despite the most competitive environment in the market.

Your Directors take this opportunity to thank all the executives and employees of the Company and wish to place on record their commendable hard work, team spirit and dedicated service to the customers which enabled the Company to achieve an appreciable level of business performance during the year.

For and on behalf of the Board of Directors

Date : August 13, 2018
Place : Chennai

(T.S. KrishnaMurthy)
Chairman

ANNEXURE-1 TO DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

SCOPE AND PURPOSE

The Securities Exchange Board of India (SEBI) on July 8, 2016 has notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations). Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (LODR) Regulations, 2015, which requires the Company to frame and adopt a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website. Accordingly, this Dividend Distribution Policy has been adopted by the Company.

KEY PARAMETERS TO BE CONSIDERED WHILE DECLARING THE DIVIDEND

(a) The circumstances under which the shareholders of the Company may or may not expect dividend:

1. Dividend shall be declared or paid only out of:
 - I. Profit of the current period post:
 - a) providing for depreciation as per law;
 - b) transfer to reserves as per Companies Act, 2013 and National Housing Bank Act, 1987 and Guidelines and the rules made thereunder, Income Tax Act, 1961 or in pursuance of any applicable statute.
 - II. Profit of previous years
 - a) after providing for depreciation as per law; and
 - b) out of the amount available for dividend after prescribed appropriations
 - III. Combination of I or II
2. The losses of previous years will be set off against the current year's or previous year's profit before declaring dividend.
3. The Board will avoid practice of declaration of dividend out of reserves.

(b) The following financial parameters shall be considered before declaration of dividend:

1. Income and profitability parameters:
 - I. Net Interest Income (NII)
 - II. Profit Before Tax (PBT) and Profit After Tax (PAT)
 - III. Return on Assets (RoA)
 - IV. Return on Equity (RoE)
 - V. Earnings Per Share (EPS)
 - VI. Profit growth targets and market expectations

2. Capitalization level parameters:

- I. Net Owned Funds (NOF)
 - II. Capital Risk Adequacy Ratio (CRAR), tier I capital and tier II capital
 - III. Gross leverage and net leverage
- ##### 3. Portfolio quality parameters:
- I. Absolute values of gross NPA and net NPA
 - II. Gross NPA and net NPA as percentage of loan assets
 - III. Provisioning levels and provision coverage
 - IV. Change in regulatory provisioning requirements
 - V. Outlook on portfolio quality

(c) Internal and external factors that shall be considered for declaration of dividend;

1. The Board and Management may decide to utilize its profit for
 - I. Business growth
 - II. Capital expenditure
 - III. Inorganic growth
 - IV. Provision of contingency fund
 - V. Acquisition of technology
2. The level of competition and the prospects of growth for the sector may require the Company to buffer up Capital to enhance operational efficiency.
3. The ability of the Company to raise funds in cost effective manner coupled with the liquidity scenario may also occasion ploughing back of profits.
4. The Company is exposed to operational, environmental, regulatory, and legal risks. Possible adverse impact from these risks notwithstanding risk migration by the Company can have a bearing on dividend payout.

(d) Policy as to how the retained earnings shall be utilized:

The retained earnings will be utilized for the main objects of the Company.

(e) Parameters that shall be adopted with regard to various classes of share

The Company only has one class of equity share and there are no shares with differential rights as to either voting or dividend

ANNEXURE-2 TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

- 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

Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

The CSR Policy of the Company as approved by the Board of the Directors, is available on the Company's website at www.repcohome.com/new_site/corporate_governance.php.

- **Composition of the CSR Committee:** The CSR Committee comprises of the following directors:
 - Shri.K.Sridhar (Chairperson of the Committee)(Non-Executive and Independent Director)
 - Shri.V.Nadanasabapathy (Non-Executive and Independent Director)
 - Shri. G.R.Sundaravadivel (Non-Executive and Independent Director)
- **Average net profit of the Company for last three financial years : Rs.226.50 crore**
- **Prescribed CSR Expenditure (two percent of the amount mentioned in item 3 above) : Rs.4.53 crore**
- **Details of CSR expenditure during the financial year 2017-18**
 - Total amount to be spent for the financial year 2017-18 : Rs. 4.53 crore
 - Amount spent during the financial year 2017-18: Rs.0.14 crore
 - Amount unspent, if any : Rs. 3.29 crore

Reason for not spending the amount:

The Company could not spend the entire amount due to time constraints and will endeavour to spend the specified amount in appropriate project going forward.

We state that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Shri. R. Varadarajan
Managing Director

Shri. K. Sridhar
Chairman of CSR Committee

Manner in which the amount spent during the financial year 2017-18 is detailed below.
(Rs.)

S No	CSR Project or Activity identified	Sector in which Project is covered	Projects or Programs with location	Amount Outlay (Budget) Project or Program-wise	Amount spent on the projects or programs	Cumulative	Amount spent direct or through agency
1	Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled & livelihood enhancement project	Promoting education	Contribution to M/s. Varasidhi Visual Vidyashram which is a trust established with an objective of providing education, welfare and development activities for poor and weaker section of the society. Location - Tirunelveli	85,000	85,000	85,000	Direct
2	Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled & livelihood enhancement project	Promoting education	Contribution to M/s. Government middle School Location - Chennai	44,000	44,000	1,29,000	Direct
3	Eradicating hunger, poverty and malnutrition; Promoting preventive health care & sanitation; Making available safe drinking water	Promoting preventive health care & sanitation	Contribution to M/s. Kshetropasna Trust Location - Kancheepuram	1,00,000	1,00,000	2,29,000	Direct
4	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Promoting gender equality	Contribution to M/s. Dignity foundation Location - Mumbai	75,000	75,000	3,04,000	Direct
5	Promoting education, including special education & employment enhancing vocation skills especially among children, women, elderly & the differently abled & livelihood enhancement project	Promoting education	Contribution to M/s. The Clarke School Location - Chennai	1,00,000	1,00,000	4,04,000	Direct
6	Eradicating hunger, poverty & malnutrition; Promoting preventive health care & sanitation; Making available safe drinking water	Promoting preventive health care	Contribution to M/s. Voluntary Health Services Location - Chennai	2,00,000	2,00,000	6,04,000	Direct
7	Eradicating hunger, poverty & malnutrition; Promoting preventive health care & sanitation; Making available safe drinking water	Promoting preventive health care	Contribution to M/s. Vishnu Farmers Club Location - Erode	7,50,000	7,50,000	13,54,000	Direct
			Total		13,54,000		

ANNEXURE-3 TO DIRECTORS' REPORT

DISCLOSURES ON MANAGERIAL REMUNERATION

- 1) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18.

Sl No	Name	Designation	Ratio of remuneration to the median employees' remuneration (Times)
1	Shri. T.S.KrishnaMurthy	Chairman, Non-Executive and Independent Director	0.69
2	Shri. Dinesh Ponraj Oliver, I.A.S*	Non-Executive and Non Independent Director	Nil
3	Shri. K.Sridhar**	Non-Executive and Independent Director	0.80
4	Shri. G R.Sundaravadivel	Non-Executive and Independent Director	1.54
5	Shri. V. Nadanasabapathy	Non-Executive and Independent Director	1.60
6	Shri. L.Munishwar Ganesan	Non-Executive and Non Independent Director	0.37
7	Shri. R. Varadarajan	Managing Director	15.24
8	Smt. R.S. Isabella	Non-Executive and Non Independent Director	Nil
9	Shri. Dr. P. Umanath, I.A.S #	Non-Executive and Non Independent Director	Nil
10	Shri. Thomas Paul Diamond ##	Non-Executive and Independent Director	0.80

* Appointed as Director w.e.f. 13 November 2017

** Appointed as Director w.e.f. 21 September 2017

Resigned from Board as director w.e.f 06 December 2017

Resigned from Board as director w.e.f 21 September 2017

- 2) Percentage increase in the remuneration of each director and key managerial personnel in the financial year 2017-18.

Sl No	Name	Designation	Increase in Remuneration (%)
1	Shri. T.S. KrishnaMurthy	Chairman, Non-Executive and Independent Director	(11.11)
2	Shri. Dinesh Ponraj Oliver, I.A.S	Non-Executive and Non Independent Director	Nil
3	Shri. K. Sridhar	Non-Executive and Independent Director	100
4	Shri. G.R. Sundaravadivel	Non-Executive and Independent Director	(7.41)
5	Shri. V. Nadanasabapathy	Non-Executive and Independent Director	(3.70)
6	Shri. L. Munishwar Ganesan	Non-Executive and Non Independent Director	20.00
7	Shri. R. Varadarajan	Managing Director	8.27
8	Smt. R.S. Isabella	Non-Executive and Non Independent Director	Nil
9	Shri. Dr. P. Umanath, I.A.S	Non-Executive and Non Independent Director	Nil
10	Shri. Thomas Paul Diamond	Non-Executive and Independent Director	(51.85)
11	Shri. T. Karunakaran	Chief Financial Officer	7.70
12	Shri. K. Prabhu	Company Secretary	16.33

- 3) The percentage decrease in the median remuneration of employees in the financial year stood at 6.37%
- 4) The number of permanent employees on the rolls of the Company: 785
- 5) Average percentile increase already made in salaries of employees other than managerial personal in last financial year and its comparison with percentile increase in managerial remuneration.
The average decrease in the remuneration of all employees was 8.37% in the financial year 2017-18. The average increase in remuneration of key managerial personnel was 9.54%.
The average increase in the remuneration of managerial personnel was determined based on the overall performance of the Company. Further the criteria for remuneration of non-managerial personnel is based on an internal evaluation of key result areas (KRAs), while the remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination & Remuneration Committee and approved by the Board of Directors.
There was no exceptional circumstance which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company.
- 6) We affirm that the remuneration paid to Directors, Key Managerial Personnel (KMPs) and others is as per the remuneration policy of the Company.

ANNEXURE-4 TO THE DIRECTORS' REPORT

FORM NO. MGT-9 - EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31st March 2018)

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

I. REGISTRATION & OTHER DETAILS:

i	CIN	L65922TN2000PLC044655
ii	Registration Date	04.04.2000
iii	Name of the Company	Repco Home Finance Limited
iv	Category/Sub-category of the Company	Public Company limited by shares
v	Address of the Registered office & contact details	Repco Tower, No. 33, North Usman Road T. Nagar, Chennai 600017 Tel : 044 42106650 Fax: 044 42106651 Email : cs@repcohome.com Website: www.repcohome.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium, Tower B, Plot number 31 & 32 Financial District, Gachibowli, Hyderabad 500032 Tel : 040-67162222 Fax : 040-23001153 E-mail: einward.ris@karvy.com

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:-

Sl. 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

S No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1	Repco Micro Finance Limited	U74900TN2007PLC064126	Associate	32%	2(6)

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat	Physical	Total	% of Total	
A. Promoters									
1) Indian	0	0	0	0	0	0	0	0.00	0
a) Individual / HUF	0	0	0	0	0	0	0	0.00	0
b) Central Govt.	0	0	0	0	0	0	0	0.00	0
c) State Govt (s)	0	0	0	0	0	0	0	0.00	0
d) Bodies Corp.	0	0	0	0	0	0	0	0.00	0
e) Banks / FI	0	0	0	0	0	0	0	0.00	0
f) Any Other	23230606	0	23230606	37.13	23230606	0	23230606	37.13	0
Sub-total (A) (1) :-	23230606	0	23230606	37.13	23230606	0	23230606	37.13	0
2) Foreign	0	0	0	0	0	0	0	0.00	0
a) NRIs-Individuals	0	0	0	0	0	0	0	0.00	0
b) Other Individuals	0	0	0	0	0	0	0	0.00	0
c) Bodies Corp.	0	0	0	0	0	0	0	0.00	0
d) Banks / FI	0	0	0	0	0	0	0	0.00	0
e) Any Other	0	0	0	0	0	0	0	0.00	0
Sub-total (A) (2) :-	0	0	0	0	0	0	0	0.00	0
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	23230606	0	23230606	37.13		0	23230606	37.13	0
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	14789644	0	14789644	23.64	15108937	0	15108937	24.15	0.51
b) Banks / FI	240734	0	240734	0.38	337694	0	337694	0.54	0.16
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g) FIs	15121070	0	15121070	24.17	14448971	0	14448971	23.10	(1.07)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0.00	0.00
Sub-total (B)(1)	30151448	0	30151448	48.19	29895602	0	29895602	47.79	(0.40)
2) Non-Institutions									
a) Bodies Corp.									
i) Indian	1997479	0	1997479	3.86	1208760	0	1208760	1.93	(1.26)
ii) Overseas	0	0	0	0	0	0	0	0.00	0
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.1 lakh	4515651	322	4515973	7.22	5500811	272	5501083	8.79	1.57
ii) ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1201494	0	1201494	1.92	766887	0	766887	1.23	(0.69)

c) Others (specify)									
NBFCs	3158	0	3158	0.01	6525	0	6525	0.01	0
Trusts	166473	0	166473	0.27	63479	0	63479	0.10	(0.17)
Alternative Investment Funds	485006	0	485006	0.78	713711	0	713711	1.14	0.36
Custodians / Clearing member	105774	0	105774	0.17	197607	0	197607	0.32	0.15
NRIs	703951	0	703951	1.12	977102	0	977102	1.56	0.43
Sub-total(B)(2) :-	9178986	322	9179308	14.68	9434882	272	9435154	15.08	0.39
Total Public Shareholding (B) = (B)(1) + (B)(2)	39330434	322	39330756	62.75	39330484	272	39330756	62.87	0.12
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A + B + C)	62561040	322	62561362	100.00	62561090	272	62561362	100	0

ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Repatriates Co Operative Finance & Development Bank Limited	23230606	37.13	0	23230606	37.13	0	-
	Total	23230606	37.13	0	23230606	37.13	0	-

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

There is no change in the number of shares held by the promoter of the Company.

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

Top Ten Shareholders' Name	Shareholding at the beginning of the year (April 1, 2017)		Shareholding at the end of the year (March 31, 2018)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
FRANKLIN TEMPLETON MUTUAL FUND A/C FRANKLIN INDIA*	4228956	6.76	4503550	7.20
ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C*	3950118	6.31	4483513	7.17
DSP BLACKROCK 3 YEARS CLOSE ENDED EQUITY FUND*	3621692	5.79	3879502	6.20
PARVEST EQUITY INDIA*	2194577	3.51	750000	1.20
NOMURA INDIA INVESTMENT FUND MOTHER FUND @	2008759	3.21	0	0.00
TVF FUND LTD @	1653672	2.64	0	0.00
INDIA CAPITAL FUND LIMITED*	1394750	2.23	2130750	3.41
APAX GLOBAL ALPHA LIMITED #	0	0	1329085	2.12
ALLIANCEBERNSTEIN INDIA GROWTH (MAURITIUS) LIMITED*	1114110	1.78	1113379	1.78
BNP PARIBAS MUTUAL FUND A/C @	1009241	1.61	0	0.00
SUNDARAM MUTUAL FUND A/C SUNDARAM FINANCIAL SERVICE#	557525	0.89	865310	1.38
DSP BLACKROCK CORE FUND#	479188	0.77	689457	1.10
HSBC GLOBAL INVESTMENT FUNDS - ASIA EX JAPAN EQUITY@	618020	0.99	618020	0.99

1. The shares of the Corporation are substantially held in dematerialised form and are traded on a daily basis and hence, the date wise increase/decrease in shareholding is not indicated.

2. * Common top 10 shareholders as on April 1, 2017 and March 31, 2018

@ Top 10 shareholders only as on April 1, 2017

Top 10 shareholders only as on March 31, 2018

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
Shareholding of Directors :					
1	Shri.T.S. KrishnaMurthy Chairman, Non-Executive and Independent Director	265	0.00	265	0.00
2	Shri.R.Varadarajan Managing Director	31406	0.05	31406	0.05
3	Shri. Dinesh Ponraj Oliver, I.A.S Non-Executive and Non-Independent Director	0	0.00	0	0.00
4	Shri. K. Sridhar Non-Executive and Independent Director	0	0.00	0	0.00
5	Shri.V. Nadanasabapathy Non-Executive and Independent Director	0	0.00	0	0.00
6	Shri. G.R. Sundaravadivel Non-Executive and Independent Director	0	0.00	0	0.00
7	Shri. L. Munishwar Ganesan Non-Executive and Non-Independent Director	525	0.00	525	0.00
8	Smt. R.S. Isabella Non-Executive and Non-Independent Director	10	0.00	10	0.00
Shareholding of Key Managerial Personnel :					
1	Shri.T.Karunakaran Chief Financial Officer	3701	0.01	1501	0.00
2	Shri.K.Prabhu Company Secretary	3500	0.01	3500	0.01

V. INDEBTEDNESS

(Rs in Crore)

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7,210.43	350.00	--	7,560.43
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	85.16	--	--	85.16
Total (i+ii+iii)	6,584.39	350.00	--	7,645.59
Change in Indebtedness during the financial year				
• Addition	4,957.50	2,350.00	--	7,307.50
• Reduction	4,777.44	1,900.00	--	6,677.44
Net Change	180.06	450.00	--	630.06
Indebtedness at the end of the financial year				
i) Principal Amount	7,337.01	800.00	--	8,137.01
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	138.64	--	--	138.64
Total (i+ii+iii)	7,475.65	800.00	--	8,275.65

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Shri. R. Varadarajan, Managing Director

S. No.	Particulars of Remuneration	Total Amount (Rs.)
1	Gross salary	
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	52,31,287
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	963,923
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL
2	Stock Option (Number of Stocks options granted during the year)	NIL
3	Sweat Equity	-
4	Commission	-
	- As % of Profit	
	- Others, specify	
5	Others	-
	Total	61,95,210
	Ceiling as per the Act*	Refer Note

*Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to Managing Director shall not exceed 5% of the net profit of the Company. The remuneration paid to the Managing Director is well within the said limit.

B) Remuneration of other directors:

S. No.	Name	Particulars of Remuneration*			
		Fees for attending board/committee meetings (Rs.)	Commission (Rs.)	Others (Rs.)	Total* (Rs.)
1	Shri. T.S. KrishnaMurthy	2,80,000	-	-	2,80,000
2	Shri. Dinesh Ponraj Oliver, I.A.S*	-	-	-	-
3	Shri. K. Sridhar**	3,25,000	-	-	3,25,000
4	Shri. G.R. Sundaravadivel	6,25,000	-	-	6,25,000
5	Shri. V. Nadanasabapathy	6,50,000	-	-	6,50,000
6	Shri. L. Munishwar Ganesan	1,50,000	-	-	1,50,000
7	Smt. R.S. Isabella	-	-	-	-
8	Dr. P. Umanath, I.A.S#	-	-	-	-
9	Shri. Thomas Paul Diamond##	3,25,000	-	-	3,25,000
	Total Managerial Remuneration	2355000	-	-	2355000
	Ceiling as per the Act#				Refer Note

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to directors other than executive directors shall not exceed 1% of the net profit of the Company. The remuneration paid to the directors is well within the said limit.

*Appointed on the Board w.e.f 13 November 2017

** Appointed on the Board w.e.f 21 September 2017

Resigned from Board as director w.e.f 06 December 2017

Resigned w.e.f 21 September 2017

C) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of KMP		Total Amount (in Rs.)
		Shri T. Karunakaran	Shri. K.Prabhu	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,56,979	18,25,142	39,82,121
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,38,963	66,747	2,05,710
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–	–	–
2	Stock Option (Number of Stocks options granted during the year)	–	–	–
3	Sweat Equity	–	–	–
4	Commission			
	- As % of Profit	–	–	–
	- Others, specify	–	–	–
5	Others	–	–	–
	Total	22,95,942	18,91,889	41,87,831

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year under review, the Company or any of its Directors were not liable for any penalty, punishment or any compounding offences under the Companies Act, 2013.

ANNEXURE-5 TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9
of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Repco Home Finance Limited
CIN# L65922TN2000PLC044655
'Repco Tower' No.33 North Usman Road,
T. Nagar, Chennai – 600017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Repco Home 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 our opinion thereon.

Based on our verification of the 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 31st March 2018 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 M/s. Repco Home Finance Limited for the financial year ended on 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Indian Contract Act, 1872
- (vi) Income Tax Act, 1961
- (vii) The Trade Marks Act, 1999;
- (viii) Indian Stamp Act, 1999
- (ix) Negotiable Instruments Act, 1881
- (x) Apprentices Act, 1961;
- (xi) Contract Labour (Regulation & Abolition) Act, 1970;
- (xii) Employer's Liability Act, 1938;
- (xiii) Employees Provident Fund Act, 1952;
- (xiv) The Employees State Insurance Act, 1948;
- (xv) Payment of Bonus Act, 1965;
- (xvi) Payment of Gratuity Act, 1972;
- (xvii) Maternity Benefits Act, 1961;
- (xviii) Minimum Wages Act, 1948
- (xix) Payment of Wages Act, 1936 and other applicable labour laws
- (xx) Local Shops & Establishment Acts of States;
- (xxi) Goods and Services Act 2016;

- (xxii) 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, 1992/2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (xxiii) National Housing Bank Act, 1987 and the rules made thereunder

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 the company has:

- i. The Company has issued 6,520 Secured Redeemable Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 652 Crores during the year under review.
- ii. Pursuant to the inspection observations by National Housing Bank (NHB) with reference to the financial position of the Company as at 31st March, 2016, NHB levied penalty aggregating to Rs.35,000/- and GST thereon, with respect to the contraventions on (i) Income Recognition (Para-22); (ii) Assets Classification (Para-27); (iii) LTV Norms (Para-27A) (iv) Assigning wrong risk-weight resulting in incorrect Capital Adequacy Ratio computation (Para-30); (v) Shortfall In Provisioning (Para-28) of the Housing Finance Companies (NHB) Directions 2010 and also (vi) disbursement of loans on the property for which the approved plan was not available (Policy Circular No.18) and (vii) Guidelines on Fair Practices Code

For G RAMACHANDRAN & ASSOCIATES
Company Secretaries
G. RAMACHANDRAN

Date: 13 August 2018
Place: Chennai

Proprietor
FCS No.9687 CoP No.3056

ANNEXURE-6 TO DIRECTORS' REPORT

FORM AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

**Statement containing salient features of financial statement of
subsidiaries / associate companies / joint ventures**

Part "A": Subsidiaries – Not Applicable

Part "B": Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures**

	Name of Associates/ Joint Ventures	REPCO MICRO FINANCE LIMITED
1.	Latest audited Balance Sheet Date	31.03.2018
2.	Date on which the Associate or Joint Venture was associated or acquired	19.10.2010
3.	Shares of Associate / Joint Ventures held by the Company on the year end.	
	Number	1,56,00,000
	Amount of Investment in Associates / Joint Venture.	15,60,00,000
	Extent of Holding %	32%
4.	Description of how there is significant influence	By virtue of shareholding
5.	Reasons why the associate / joint ventures is not consolidated.	Not Applicable
6.	Net worth attributable to Shareholdings as per latest audited Balance Sheet	Rs. 108.03 crore
7.	Profit / Loss for the year	
	Considered in Consolidation	Rs. 29.01 crore
	Not considered in Consolidation	-

For and on behalf of the Board of Directors

(T.S.KrishnaMurthy)

Chairman

(R.Varadarajan)

Managing Director

Place: Chennai

Date : August 13, 2018

ANNEXURE-7 TO DIRECTORS' REPORT

RELATED PARTY TRANSACTION POLICY

1. PREAMBLE

The policy envisages the procedure governing Related Party Transactions required to be followed by company to ensure compliance with the Law and Regulation. The Related Party Transaction Policy may be amended from time to time and is subject to the approval of the Board of Directors of the Company.

2. PURPOSE

This policy is framed as per requirement of Clause 49 of the Listing Agreement entered by the Company with the Stock Exchanges and intended to ensure the proper approval and reporting of transactions between the Company and its Related Parties. Such transactions are appropriate only if they are in the best interest of the Company and its shareholders. The Company is required to disclose each year in the Financial Statements certain transactions between the Company and Related Parties as well as policies concerning transactions with Related Parties.

3. DEFINITIONS

"Audit Committee" means Committee of Board of Directors of the Company constituted under the provisions of Listing agreement and Companies Act, 2013.

"Board" means Board of Directors of the Company.

"Control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner

"Key Managerial Personnel" means key managerial personnel as defined under the Companies Act, 2013 and includes

- (i) Managing Director, or Chief Executive Officer or manager and in their absence, a wholetime director;
- (ii) Company Secretary; and
- (iii) Chief Financial Officer

"Material Related Party Transaction" means a transaction with a related party if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the net worth of the company as per the last audited financial statements of the company, whichever is higher.

"Policy" means Related Party Transaction Policy.

"Related Party" means related party as defined in Clause 49 of the Listing Agreement which is as follows:

A 'related party' is a person or entity that is related to the company. Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party, directly or indirectly, in making financial and/or operating decisions and includes the following:

1. A person or a close member of that person's family is related to a company if that person:
 - a. is a related party under Section 2(76) of the Companies Act, 2013 which are as follows:
 - a director or his relative ;
 - a key managerial personnel or his relative ;
 - a firm, in which a director, manager or his relative is a partner ;
 - a private company in which a director or manager is a member or director ;
 - a public company in which a director or manager is a director or holds along with his relatives, more than two per cent of its paid-up share capital ;
 - any body corporate whose Board of directors, managing director, or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager ;
 - any person under whose advice, directions or instructions a director or manager is accustomed to act :

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity ;

- any company which is –
 - a holding, subsidiary or an associate company of such company ; or
 - a subsidiary of a holding company to which it is also a subsidiary ;
- Director or key managerial personnel of the holding company or his relative with reference to a company; or
- b. has control or joint control or significant influence over the company; or
- c. is a key management personnel of the company or of a parent of the company; or

2. An entity is related to a company if any of the following conditions applies:

- a. The entity is a related party under Section 2(76) of the Companies Act, 2013; or
- b. The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); or
- c. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member); or
- d. Both entities are joint ventures of the same third party; or
- e. One entity is a joint venture of a third entity and the other entity is an associate of the third entity; or
- f. The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company; or
- g. The entity is controlled or jointly controlled by a person identified in (1).
- h. A person identified in (1)(b) has significant influence over the entity (or of a parent of the entity); or

“Related Party Transaction” means any transaction directly or indirectly involving any Related Party which is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.

“Relative” means relative as defined under the Companies Act, 2013 and includes any one who is related to another, if –

- i. They are members of a Hindu undivided family ;
- ii. They are husband and wife ; or
- iii. Father (including step-father)
- iv. Mother (including step-mother)
- v. Son (including step-son)
- vi. Son’s wife
- vii. Daughter
- viii. Daughter’s husband
- ix. Brother (including step-brother)
- x. Sister (including step-sister)

4. POLICY

All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

4.1 Identification of Potential Related Party Transactions

Each director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.

4.2 Prohibitions related to Related Party Transactions

All Related Party Transactions shall require prior approval of Audit Committee.

Further, all Material Related Party Transactions shall require approval of the shareholders through special resolution and the Related Parties shall abstain from voting on such resolutions.

4.3 Review and Approval of Related Party Transactions

Related Party Transactions will be referred to the next regularly scheduled meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in

any Related Party Transaction will recuse himself or herself and abstain from discussion and voting on the approval of the Related Party Transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- Whether the Related Party Transaction would affect the independence of an independent director;
- Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant. If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case elects to review any such

matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee or Shareholders:

- i. Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- ii. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party

5. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

ANNEXURE-8 TO DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

SECTIONS A,B,C-DETAILS OF THE COMPANY

Repco Home Finance Limited is a Housing Finance Company set up in April, 2000 and registered with the National Housing Bank (NHB). The Company's registered office is situated at "Repco Towers" No. 33, North Usman Road, T.Nagar, Chennai-600017. The Company has been established for providing long term housing loans (activity code 65922) for purchase/construction/renovation of houses. Repco Home Finance Ltd. Operates in 11 States and 1 Union Territory through 131 branches and 29 satellite centres. The Company does not accept any deposits from the public.

The Company's paid up capital is Rs. 62.56 Crores and total net owned funds were Rs 1253.50.Crore.The total loan disbursements during the year were Rs. 2,806.51 Crores. The Company had recorded a Profit after Tax of Rs 206.11 Crore for the financial year 2017-18.

The details pertaining to CSR initiatives of the Company and the amount spent thereon are given as a part of the Director's Report.

Repco Home Finance Limited has no subsidiary.

SECTION D : BUSINESS RESPONSIBILITY INFORMATION

The Board of Directors is primarily responsible for the overall business of the Company. Repco Home Finance has an ingrained value system for governance. Since the beginning the Company adopts the principles of transparency, integrity, accountability and responsibility at all levels. The Board maintains the highest spirit of trusteeship and guides the Company's management to practice professional ethics in the conduct of its business and transactions with all its stakeholders.

The Company has in place an Audit Committee, Shareholders Relationship Committee and Nomination and Remuneration Committee to monitor the value system and practices.

The Company's endeavour is to become a responsible corporate citizen founded on ethical values and practices.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability'

The Company has in place the following Policies:

1. Code of Conduct for the Directors and the Senior Management
2. Code of Practices and Procedures for fair disclosures of Unpublished Price Sensitive Information
3. Fair Practices Code
4. KYC and AML Policy
5. Code for dealing in the Securities of the Company
6. Policy on Prevention of Sexual Harassment of Women at work place
7. Whistle Blower Policy
8. Related Policy Transaction Policy

There was no instance of violation of the Company's Code of Conduct in 2017-18 and no case was reported under the Whistle Blower Mechanism or under the policy for prevention of sexual harassment of women during the year.

Principle 2: Businesses should provide goods and services that are safe and contribute to the sustainability throughout the life cycle.

The Company is a Housing Finance Company that provides loans for purchase / construction / repairs to houses in accordance with all applicable regulatory prescriptions including the guidelines / directions of National Housing Bank in relation to its credit / technical and ; legal appraisal processes.

The Company has encouraged use of paperless communication with its stakeholders. The Company's annual report for the year 2016-17 were distributed in soft copies to 21599 shareholders.

Principle 3: Businesses should promote overall well being of all employees:

As of 31 March 2018, the Company's staff strength comprises of 785 employees, 141 were women permanent employees and 2 staff with disability. There is no employees' association.

The Company provides mediclaim/accident/life insurance coverage to its employees. The Company extends housing loans to employees at a concessional rate for purchase/construction and repairs to houses as a part of its welfare measure. The Company also has a furnishing allowance scheme for its eligible employees.

During the year 2017-18 no complaints were received pertaining to child labour, forced labour, involuntary labour or sexual harassment.

The Company hires employees on permanent employment. The Company imparts induction and continual training to its employees on its products and operations and regulatory guidelines. The Company also nominates its staff for periodic external training programmes.

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are vulnerable and marginalized:

The Company's stakeholders comprise its investors, customers, employees, borrowers and the regulators and the Company's endeavour is to comprehend and respond to its stakeholders. The Company is fair and equitable to all its stakeholders without discrimination on any ground such as caste, creed, gender, religion etc. All the employees are sensitized to engage with stakeholders in the best interests of the organization.

Principle 5: Business should respect and promote human rights:

The Company follows the principle of respect and support for human rights in its business operations. The Company has the greatest regard for its stakeholders ensuring that they are treated with dignity and due respect in compliance with the applicable statutes/

legal requirements. The Company has in place accessible grievance redressal mechanisms to all its stakeholders.

Principle 6: Businesses should respect, protect and make efforts to restore the environment:

The Company is committed towards respecting, protecting and making efforts to protect the environment and is in compliance with the legal/regulatory requirements related to environment protection, management and sustainable development.

Principle 7: Businesses when engaged in influencing public and regulatory policy should do so in a responsible manner:

The Company is not a member of any trade and chamber or association. The Company escalates matters pertaining to its stakeholders through periodic interactions through various forums to the Regulator.

Principle 8: Businesses should support inclusive growth and equitable development

The Company supports inclusive growth and equitable development by extending affordable housing loans under rural housing, urban housing, PMAY (CLSS) schemes-EWS/LIG/MIG. The Company is active in the tier-ii and tier-iii cities thus playing its part in enhancing housing stock in those locations.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner:

The Company had received 33 customer grievances/service requests and had no grievances/service requests pending at the beginning of the year. During the year 31 grievances/service requests were resolved and 2 were pending for resolution. The information on products are prominently displayed on the notice boards of the branches. There were no cases filed against the Company regarding Unfair Trade practices, irresponsible advertising and/or competitive behaviour. The Company collects feedback from its customers through the visits of its officials to the various branches and through other modes.

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

The company is committed ensuring high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The company follows all the principles of corporate governance in its true spirit and at all times.

During the year ended 31st March, 2018, your Company had complied with the provisions set out on Corporate Governance Practices required under Listing Regulations.

Given below is the report of the directors on corporate governance in accordance with the provisions of the SEBI (LODR) Regulations, 2015.

BOARD OF DIRECTORS

Composition

The Board consists of eight directors as on 31st March 2018. All the directors of the Company, except the Managing Director are Non-Executive Directors. Out of the seven non-executive directors, four are Independent Directors. The composition of the board is in conformity

with Regulation 17 of the SEBI (LODR) Regulations, 2015 and section 149 of the Companies Act, 2013.

The independent directors have confirmed that they satisfy the criteria prescribed for an independent director as stipulated in the provisions of the Section 149(6) of the Companies Act, 2013. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company. None of the directors of the Company are related to each other. All directors are appointed by the members of the Company.

As per the SEBI (LODR) Regulations, 2015, no director can be a member in more than 10 committees or act as chairman of more than 5 committees across all public companies in which he is a director. The number of Directorships, Committee Memberships/ Chairmanships of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (LODR). The details of the Board of Directors in terms of their other directorships held, in public limited companies, listed companies etc and their memberships/ Chairmanships in Audit Committee and Stakeholders Relationship Committee are as under:

S No	Name of Directors	Category	Number of Directorships		Number of Committees	
			Member	Chairman	Member	Chairman
1	Shri. T.S. KrishnaMurthy (DIN - 00279767)	Chairman, Non-Executive / Independent	7	4	-	-
2	Shri. R. Varadarajan (DIN - 02020709)	Managing Director - Executive	1	-	1	-
3	Shri. Dinesh Ponraj Oliver, I.A.S (DIN - 05297355)	Non-Executive / Non-Independent	3	-	-	-
4	Shri. K. Sridhar (DIN - 02758646)	Non-Executive / Independent	-	-	-	-
5	Shri. G.R. Sundaravadivel (DIN - 00353590)	Non-Executive / Independent	1	-	1	-
6	Shri. V. Nadanasabapathy (DIN - 03140725)	Non-Executive / Independent	-	-	-	-
7	Shri. L. Munishwar Ganesan (DIN- 07082752)	Non-Executive / Non-Independent	1	-	-	-
8	Smt. R.S. Isabella (DIN - 06871120)	Non-Executive / Non-Independent	3	-	-	-

INDEPENDENT DIRECTORS

The Company has four Independent Directors on its Board. The Company has received the necessary declaration from the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and SEBI (LODR).

APPOINTMENT OF INDEPENDENT DIRECTORS

The Company has four Independent Directors on its Board. Shri.T.S. KrishnaMurthy, Shri.G.R.Sundaravadivel and Shri.V.Nadanasabapathy were appointed at the 14th Annual General Meeting of the Company held on 11 September 2014 for a period of 5 years and are not liable to retire by rotation. The letters of appointment were issued to the Directors in accordance with the Companies Act, 2013. The copy of the letter with the terms and conditions of appointment of the Independent Directors is placed on the Company's website.

During the year, the Board of Directors on the recommendations of the Nomination and Remuneration Committee had appointed Shri. K.Sridhar as Additional Director (Independent Director) on 21 September 2017, subject to the approval of the members in the ensuing general meeting.

All the Independent directors possess the requisite qualifications and are very experienced in their own fields.

FAMILIARISATION PROGRAMME

The objective of a familiarisation programme is to ensure that the Non-Executive Directors are updated on the business environment and overall operations of the Company. This enables the non-executive directors to make better informed decisions in the interest of the Company and its stakeholders.

In compliance with the requirements of SEBI Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc.

The Directors were briefed on the operations of the Company through periodic presentations made during the course of the Committee/Board Meetings. The Directors are apprised of regulatory changes by placing the same before the respective Committee/ Board Meetings. The key executives interact periodically with the Directors to brief them on the state of affairs of the organisation. The Managing Director makes a comprehensive and holistic presentation to the Board every quarter. An overview of the familiarisation programme is placed on the Company's website, http://www.repcohome.com/corporate_governance.php.

EVALUATION OF DIRECTORS AND THE BOARD

The Nomination and Remuneration Committee reviewed the formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board of the remuneration policy; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The performance of individual Directors was evaluated on parameters such as participation in Board deliberations, attendance at Board meetings, level of independence of judgement, protecting the interest of the Company and its shareholders.

BOARD MEETINGS

The meetings of the Board of Directors are generally held at the Corporate Office of the Company. The meetings are generally scheduled well in advance. The Board meets at least once in a quarter to review the quarterly performance and the financial results of the Company.

The dates for the board meetings are fixed after taking into account the convenience of all the Directors and sufficient notice is given to them. Detailed agenda notes are sent to the Directors. All the information required

for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The Managing Director makes a presentation to the Board on the overall performance of the company at every board meeting. The Board reviews performance, approves capital expenditures, sets the strategy which the company should follow and ensures financial stability. The Board takes on record the actions taken by the company on all its decisions periodically.

The Board also takes on record the declaration made by the Managing director, Executive Directors and Company secretary regarding compliances of all laws on a quarterly basis.

The Board met 6 times during the financial year 2017-18. The meetings were held 11-04-2017, 25-05-2017, 04-08-2017, 21-09-2017, 13-11-2017 and 14-02-2018. The attendance of each director at the board meetings, sitting fee paid and attendance at the last annual general meeting are as under:

S. No	Name of Directors	Attendance at the Board meetings (No of meetings held-6)	Attendance at the 17th AGM
1	Shri. T.S. KrishnaMurthy	6	Present
2	Shri. R. Varadarajan	6	Present
3	Shri. Dinesh Ponraj Oliver, I.A.S*	2	Not present
4	Shri. K. Sridhar**	2	Not present
5	Shri. G.R. Sundaravadivel	6	Present
6	Shri. V. Nadanasabapathy	6	Present
7	Shri. L. Munishwar Ganesan	6	Present
8	Smt. R.S. Isabella	6	Present
9	Dr. P. Umanath, I.A.S#	3	Not present
10	Shri. Thomas Paul Diamond##	4	Present

*Appointed on the Board w.e.f 13 November 2017

** Appointed on the Board w.e.f 21 September 2017

Resigned from Board as director w.e.f 06 December 2017

Resigned w.e.f 21 September 2017

Leave of absence was granted to the Directors who could not attend the respective meetings.

APPOINTMENT OF DIRECTORS

During the year under review, the Board of Directors appointed Shri.K.Sridhar and Shri.Dinesh Ponraj Oliver, I.A.S as Additional Directors on 21 September 2017 and 13 November 2017 respectively.

RE-APPOINTMENT OF DIRECTOR(S)

Pursuant to Section 152 of the Companies Act, 2013, Smt.R.S.Isabella, Director is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Disclosure of relationship between directors inter-se: There is no inter-se relationship between the directors of the Company

COMMITTEES OF THE BOARD

The Board has established the following statutory and non-statutory Committees

1. Audit Committee

The audit committee assists the board in the analysing of financial information and in overseeing the financial and accounting processes in the company. The terms of reference of the audit committee covers all matters specified in Regulation 18 of the SEBI (LODR) Regulations, 2015 and also those specified in section

177 of the Companies Act 2013. The audit committee reviews, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of internal auditor and statutory auditor. The statutory auditors were present at all audit committee meetings. The internal auditors are also invited to the audit committee meetings at periodic intervals.

The composition of the audit committee is as per Regulation 18 of the SEBI (LODR) Regulations, 2015. The Audit Committee comprises of Shri. K. Sridhar (Chairman), Shri. G.R. Sundaravadivel and Shri. V. Nadanasabapathy. The Audit Committee is chaired by an independent director. All the members of the committee are financially literate and have relevant finance / audit exposure. The chief financial officer is a permanent invitee to the meetings of the committee. The company secretary acts as the secretary to the committee. Shri. Thomas Paul Diamond the then Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on 21 September 2017.

The audit committee met 5 times during the year on 24-05-2017, 20-06-2017, 03-08-2017, 13-11-2017 and 13-02-2018. The details of attendance at the Audit Committee meetings are as under:

Name of the Director	Number of meetings attended
Shri. K. Sridhar Chairman*	2
Shri. G.R. Sundaravadivel Member	5
Shri. V. Nadanasabapathy Member	5
Shri. Thomas Paul Diamond – Erstwhile Chairman #	3

* Appointed w.e.f 21 September 2017

Resigned w.e.f 21 September 2017

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Shri. G.R. Sundaravadivel (Chairman), Shri. K. Sridhar and Shri. V. Nadanasabapathy. The Company Secretary is the secretary to the Committee.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board.

The terms of reference of the Nomination and Remuneration Committee:

- formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommendation to the Board of the remuneration policy
- formulation of criteria for evaluation of Independent Directors and the Board
- devising a policy on Board diversity
- identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal

During the year, the Nomination and Remuneration Committee met 7 times on 24-05-2017, 03-08-2017, 15-09-2017, 09-11-2017, 12-01-2018, 13-02-2018 and 20-03-2018. The details of attendance at the Nomination and Remuneration Committee Meeting are as under:

Name of the Director	Number of meetings attended
Shri. G.R. Sundaravadivel - Chairman	7
Shri. K. Sridhar - Member*	4
Shri. V. Nadanasabapathy - Member	7
Shri. Thomas Paul Diamond - Member#	3

* Appointed w.e.f 21 September 2017

Resigned w.e.f 21 September 2017

3. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee comprises of Shri. G.R. Sundaravadivel (Chairman), Shri. K. Sridhar and Shri. V. Nadanasabapathy.

SEBI vide Circular Ref:CIR/OIAE/2/2011 dated June 3, 2011 informed the Company that they had commenced processing of investor complaints in a web

based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. Mr. K. Prabhu, Company Secretary is the compliance officer of the Company. For any clarification / complaint the shareholders may contact Mr. K. Prabhu, Company Secretary at the Corporate Office of the Company.

During the year, 28 complaints were received from shareholders and all complaints have been attended / resolved.

4. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Shri. K. Sridhar (Chairman), Shri. G.R. Sundaravadivel and Shri. V. Nadanasabapathy. The Committee is primarily responsible for formulating and recommending to the Board of Directors, a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects.

5. Compensation Committee

The Compensation Committee comprises of Shri. G.R. Sundaravadivel (Chairman), Shri. K. Sridhar and Shri. V. Nadanasabapathy. Compensation Committee was constituted for the purpose of reviewing and approving, on behalf of the Board of Directors, Management recommendations regarding all forms of compensation to be provided to the staff and Directors of the Company, all bonus and stock compensation to all employees, and to administer the Company's stock option plans.

6. Management and Risk Management Committee

The Committee is responsible for sanctioning of loans proposals beyond Rs.5 crores and also oversees the risk management function.

During the financial year the Committee met 5 times on 24-05-2017, 03-08-2017, 27-09-2017, 09-12-2017 and 20-03-2018. The details of attendance at the Committee meeting are as under:

Name of the Director	Number of meetings attended
Shri. K. Sridhar - Chairman*	3
Shri. G.R. Sundaravadivel - Member	5
Shri. V. Nadanasabapathy - Member	5
Shri. R. Varadarajan - Member	5
Shri. Thomas Paul Diamond - Erstwhile Chairman #	2

* Appointed w.e.f 21 September 2017

Resigned w.e.f 21 September 2017

7. Securities Allotment Committee

The Securities Allotment Committee was constituted to effect allotment of securities including that of allotment of shares pursuant to exercise of employee stock options. The Committee met once during the year on 14-06-2017. The details of attendance at the Committee meeting are as under:

Name of the Director	Number of meetings attended
Shri. T.S. KrishnaMurthy - Chairman	1
Shri. Thomas Paul Diamond - Member	1
Shri. G.R. Sundaravadivel - Member	0
Shri. V. Nadanasabapathy - Member	1

MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors of the Company had met once during the year on 20-03-2018 to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

REMUNERATION POLICY

The Remuneration Policy, including the criteria for remunerating non-executive directors is recommended by the Nomination & Remuneration Committee and approved by the Board. The key objective of the Remuneration Policy is to ensure that it is aligned to the overall performance of the Company. The Policy ensures that it is fair and reasonable to attract and retain necessary talent, is linked to attaining performance benchmarks and involves a judicious balance of fixed and variable components. The Remuneration Policy is placed on the Company's website.

REMUNERATION PAID TO DIRECTORS

Of the total 8 directors, one is executive director (i.e. Managing Director). The remuneration payable to the Managing Director is determined by the Board on the recommendation of the Nomination & remuneration committee. This is subject to the approval of the shareholders at the Annual General Meeting. The Non Executive Directors do not draw any remuneration from the company except sitting fees for attending the meetings of the board and the committees. The sitting fee paid for each meeting for Chairman is Rs.35,000 and for other directors it is Rs.25,000.

Details of Remuneration paid to the all the Directors during the financial year 2017-18

a) Remuneration Details of Shri. R. Varadarajan, Managing Director

During the Financial year 2017-18, Shri. R. Varadarajan was paid a managerial remuneration of Rs. 61,95,210 which is inclusive of Salary, Perquisites & Allowances and a Performance incentive.

b) Details of Sitting Fees paid to Non-Executive Directors

S. No	Name	Sitting fees paid (Rs.)
1	Shri. T.S. KrishnaMurthy	2,80,000
2	Shri. Dinesh Ponraj Oliver, I.A.S	-
3	Shri. K. Sridhar	3,25,000
4	Shri. G.R. Sundaravadivel	6,25,000
5	Shri. V. Nadasabapathy	6,50,000
6	Shri. L. Munishwar Ganesan	1,50,000
7	Smt. R.S. Isabella	-
8	Dr. P. Umanath, I.A.S	-
9	Shri. Thomas Paul Diamond	3,25,000

SHAREHOLDING OF DIRECTORS

As on 31st March 2018, the Company had one Executive Director and seven Non-Executive Directors. Shri. R. Varadarajan, Managing Director holds 31406 equity shares in the company. Among the Non-Executive Directors Shri. T.S. KrishnaMurthy holds 265 equity shares, Shri. L. Munishwar Ganesan holds 525 equity shares and Smt. R.S. Isabella holds 10 equity shares in the Company. The other Non-Executive Directors do not hold any shares in the Company.

TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS

There were no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the Financial Year ended 31st March 2018.

PREVENTION OF INSIDER TRADING

In January 2015, SEBI notified the SEBI (Prevention of Insider Trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and revised existing Code for Prevention of Insider Trading.

The code ensures that the employees deal in the shares of the Company only at a time when any price sensitive information that could be known to the employee is also known to the public at large. This code is applicable to the Designated Employees and Directors of the Company.

CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for all the Board members and the Designated Employees of the Company.

The Code of Conduct is posted on the website of the Company, http://www.repcohome.com/corporate_governance.php. For the year under review, all Directors and members of senior management have affirmed their adherence to the provisions of the Code.

ANNUAL GENERAL MEETINGS

The details of the Annual General Meetings held in the last three years are as follows:

Financial Year	Meeting	Date & Time	Venue	Special Resolutions passed
2014-15	15th AGM	12-09-2015 11:00 AM	Sri Dakshinamurthy Auditorium, PS Higher Sec School, No.215, Ramakrishna Mutt Road, Mylapore, Chennai-600004	Offer or invite subscription for Non-Convertible Debentures (NCD) and Commercial Paper aggregating to Rs.1,500 Crore and Rs.500 Crore respectively on private placement
2015-16	16th AGM	22-09-2016 11:00 AM	Sri Dakshinamurthy Auditorium, PS Higher Sec School, No.215, Ramakrishna Mutt Road, Mylapore, Chennai-600004	1. Offer or invite subscription for Non-Convertible Debentures (NCD) and Commercial Paper (CP) aggregating to Rs. 2,000 crore and Rs.500 crore respectively on private placement 2. RHFL ESOP Scheme 2016
2016-17	17th AGM	21-09-2017 10.15 AM	Sri Dakshinamurthy Auditorium, PS Higher Sec School, No.215, Ramakrishna Mutt Road, Mylapore, Chennai-600004	Offer or invite subscription for Non-Convertible Debentures (NCD) and Commercial Paper (CP) aggregating to Rs. 3,000 Crore and Rs.800 Crore respectively on private placement

WHISTLE BLOWER POLICY

The Company has an established a Whistle Blower Policy/ vigil mechanism for Directors / Employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of Directors/ Employees who avail of the mechanism. The Company affirms that no personnel has been denied access to the Audit Committee.

Any employee of the Company may report any unethical & improper practices or alleged wrongful conduct to the Designated Officer if it involves any employees upto the level of Assistant Manager or to the Executive Director in case of involvement of officers' upto General Manager or to the Managing Director if it involves Chief General Manager or the Executive Directors and to the Audit Committee in certain exceptional cases and in case

of involvement of the Managing Director. The Whistle Blower Policy is placed on the Company's website, http://www.repcohome.com/corporate_governance.php.

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

The Company has constituted an Internal Complaint Committee for prevention, prohibition and redressal of complaints / grievances on the sexual harassment of women at work places. During the year, no complaint of sexual harassment was received by the Company and the same has been duly addressed.

DISCLOSURES

Related Party Transaction:

There have been no materially significant related party transactions with the Company's promoters, directors,

the management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy. The Policy is placed on the Company's website, http://www.repcohome.com/corporate_governance.php.

Accounting Treatment:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act.

Secretarial Standards

The Company has complied with the applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India.

Disclosures made by the Management to the Board

During the year, there were no transactions of a material nature with the promoters, Directors or the management, or relatives that had any potential conflict with the interest of the Company. All disclosures related to financial and commercial transactions where Directors have a potential interest are provided to the board and the interested Directors do not participate in the discussion nor do they vote on such matters.

Other Disclosures

The Company has complied with the Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.

MEANS OF COMMUNICATION

a. The unaudited quarterly results of the Company are published in leading newspapers such as Business Line, Business Standard, Financial Express, The Hindu etc. The Standalone quarterly and annual results of the Company are available on the Company's website at http://www.repcohome.com/quarterly_results.php. The Standalone quarterly and

annual results are filed with the Stock Exchanges in terms of SEBI (LODR) Regulations, 2015.

- b. The company's website contains basic information about the Company and such other details as required under the SEBI (LODR) Regulations, 2015 including investor presentations. The Company ensures periodical updation of its website.
- c. Pursuant to the SEBI (LODR) Regulations, 2015, all data related to quarterly financial results, shareholding pattern, etc., are filed in NEAPS (NSE Electronic Application Processing System) and BSE listing centre within the time frame prescribed in this regard.

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting

Date and time	September 25, 2018 at 11 A.M
Venue	Bharatiya Vidya Bhavan (Bhavan's Dr. Preetha Reddy Auditorium - Main Hall) # 18, 20, East Mada Street, Mylapore, Chennai-600004
Financial Year	1st April 2017 to 31st March 2018

2. **Book Closure Dates:** From September 19, 2018 to September 25, 2018 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend if approved by the Shareholders.

3. Particulars of Dividend for the year ended 31.03.2018

The Board of Directors has recommended a dividend of Rs.2.20 per equity share of Rs.10/ each for the financial year ended March 31, 2018 subject to the approval of the shareholders at the Annual General Meeting.

Dividend entitlement is as follows:

- (i) For shares held in physical form: shareholders whose names appear on the register of members of the Company as September 18, 2018.
- (ii) For shares held in electronic form: beneficial owners whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business on September 18, 2018.

The Dividend if any declared by the members at the ensuing Annual General Meeting will be paid on or before on October 25, 2018 (30 days of AGM Date) being the statutory time limit.

4. Listing of Shares

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited, Mumbai (BSE)	535322
National Stock Exchange of India Limited (NSE)	repcohome

ISIN allotted by Depositories (Company ID Number): INE612J01015

(Note: Annual Listing fees for the year 2018-19 were duly paid to the above stock exchanges within the stipulated time limit.)

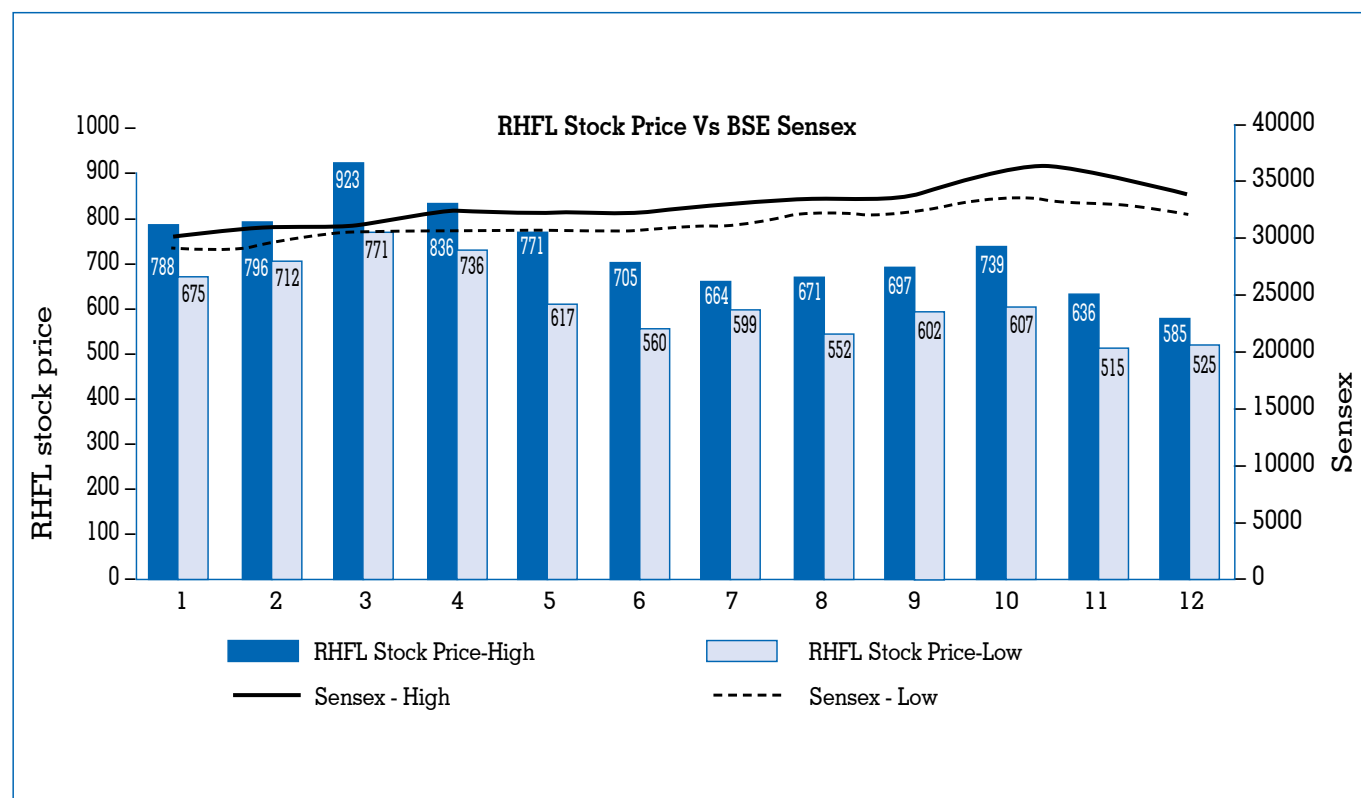
Listing of Debt Securities:

The Company's Non-Convertible Debentures are listed on Bombay Stock Exchange Limited.

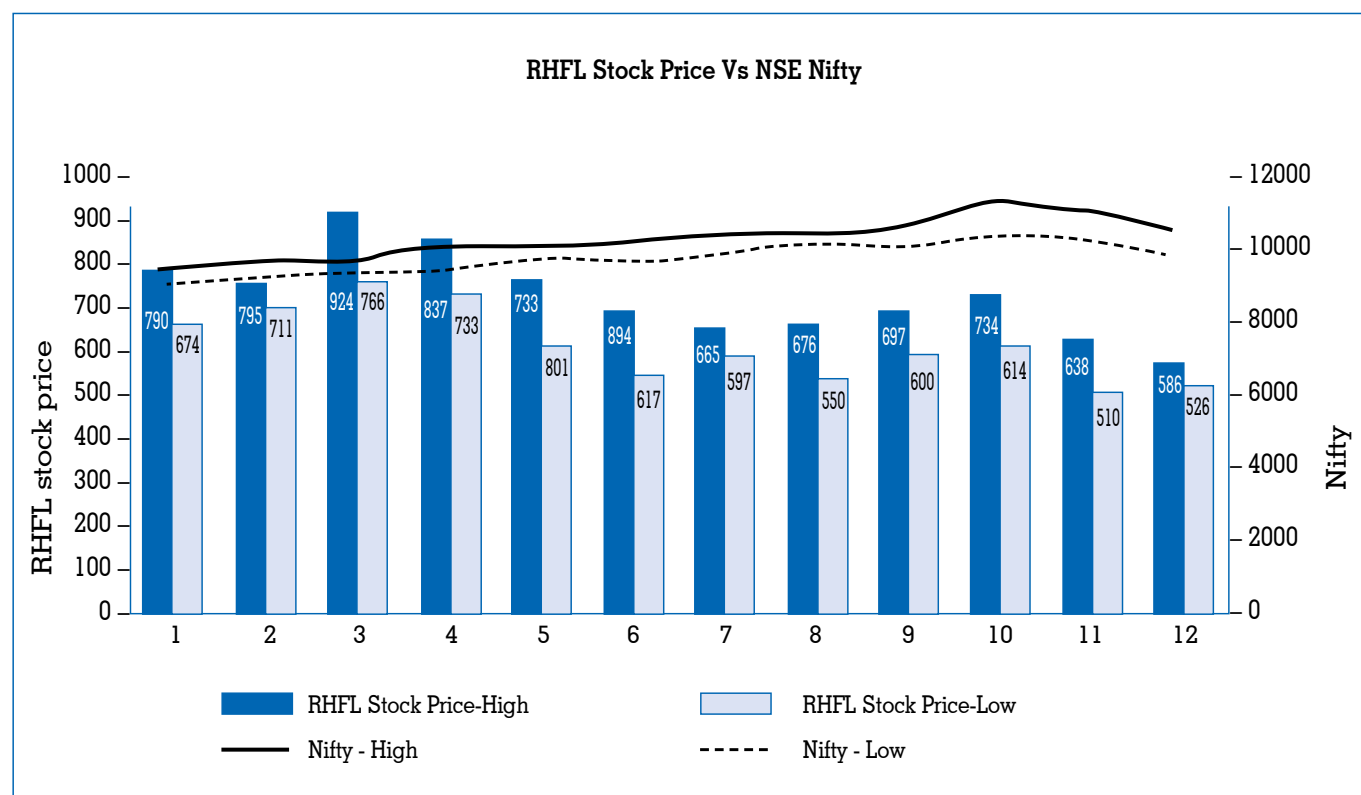
5. Stock Market Data

Month	The Bombay Stock Exchange Limited			National Stock Exchange of India Limited		
	Month's High Price (in Rs.)	Month's Low Price (in Rs.)	Total volume of shares transacted	Month's High Price (in Rs.)	Month's Low Price (in Rs.)	Total volume of shares transacted
Apr-17	788	675	322709	790	674	2703412
May-17	796	712	131074	795	711	1876351
Jun-17	923	771	722265	924	766	4610706
Jul-17	836	736	181823	837	733	3077394
Aug-17	771	617	456947	773	617	4608085
Sep-17	705	560	415587	694	558	5645641
Oct-17	664	599	363941	665	597	4979484
Nov-17	671	552	838232	676	550	9295679
Dec-17	697	602	638532	697	600	3980597
Jan-18	739	607	270844	734	614	4612550
Feb-18	636	515	1349950	638	510	8795204
Mar-18	585	525	567191	586	526	6533093

Movement of Repco's Share Price via-a-vis the Sensex



Movement of Repco's Share Price via-a-vis the Nifty



6. Shareholding Pattern as on 31st March 2018

Particulars	Number of Share holders	Total Number of shares held	Shares held in dematerialised form	% of capital
Promoter and Promoter Group				
a. Bodies Corporate	0	0	0	0
b. Directors & their relatives	0	0	0	0
c. Others	1	23230606	23230606	37.13
Public Shareholding				
I. Institutions				
a. Mutual Funds/UTI	13	15108937	15108937	24.15
b. Financial Institutions/Banks	3	337694	337694	0.54
c. Insurance Companies	0	0	0	0
d. Foreign Institutional Investors	95	14448971	14448971	23.10
II. Non Institutions				
a. Bodies Corporate	511	1208760	1208760	1.93
b. Individuals	25622	6267970	6267698	10.02
c. Non Resident Indians	2260	977102	977102	1.56
d. Clearing Members	69	197607	197607	0.32
e. Trusts	3	63479	63479	0.10
f. NBFC/ Alternative Investment Fund	8	720236	720236	1.15
Total	28585	62561362	62561090	100

7. Distribution of Shareholding as on 31st March 2018

Number of Equity Shares held	Number of Share holders	%	Number of Shares	%
upto 5000	25930	90.71	2824444	4.51
5001 - 10000	1412	4.94	1041014	1.66
10001 - 20000	620	2.17	880920	1.41
20001 - 30000	199	0.70	493264	0.79
30001 - 40000	87	0.30	310989	0.50
40001 - 50000	73	0.26	329202	0.53
50001 - 100000	110	0.38	768144	1.23
100001 & Above	154	0.54	55913385	89.37
Total	28585	100.00	62561362	100

8. Registrar and Share Transfer Agents

Karvy Computershare Private Limited, having its office at Karvy Selenium, Tower B, Plot number 31 & 32 ,Financial District, Gachibowli, Hyderabad 500 032 are the Registrars for the demat segment and also the share transfer agents of the company, to whom communications regarding share transfer and dematerialization requests are addressed. All matters connected with share transfer, transmission, dividend payment is handled by the share transfer agent. Share transfers are processed within

15 days of lodgement. A Practising Company Secretary certifies on a quarterly basis the timely dematerialization of shares of the company.

9. Information in respect of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF) is given below:

Under the provisions of the Companies Act, 1956 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government.

The details of the unclaimed dividend are as under:

Financial Year	Unpaid/ Unclaimed dividend as on 31.3.2018	Date of declaration	Date of transfer to IEPF
2012-13	6,451.80	13-Sep-13	21-Oct-20
2013-14	19,221.20	11-Sep-14	19-Oct-21
2014-15	12,705.50	12-Sep-15	20-Oct-22
2015-16	8,053.60	22-Sep-16	30-Oct-23
2016-17	89,010	21-Sep-17	29-Oct-24

The details of Unpaid/ Unclaimed dividend is posted on the Company's website, <http://www.repcohome.com/unclaimed.php>

- Members are requested to note that as per the Companies Act, 2013, unclaimed dividend once transferred to IEPF will not be refunded.
- Shareholders holding shares in electronic form are requested to deal only with their Depository Participant in respect of change of address, nomination facility and furnishing bank account number, etc.

10. Request to Investors

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the Company.

- Shareholders are requested to convert their physical holding to demat/electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.
- Shareholders holding shares in physical form, should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the Company.
- It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.
- Shareholders holding shares in physical form who have not availed nomination facility and would like to do so are requested to avail the same, by submitting the nomination in Form 2B. The form

will be made available on request. Those holding shares in electronic form are advised to contact their DPs.

- As required by SEBI, it is advised that the shareholders furnish details of their bank account number and name and address of their bank for incorporating the same in the dividend warrants. This would avoid wrong credits being obtained by unauthorized persons.

11. Reconciliation of Share Capital Audit

A quarterly audit was conducted by a practising Company Secretary, reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31st March 2018 there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories.

12. Dematerialisation of shares

As on 31st March 2018, 6,25,61,090 equity shares representing 99.99% of the paid up equity capital have been dematerialized.

Particulars	No. of shares	(%)
Shares held in physical form	272	0.01
Shares held in electronic form	6,25,61,090	99.99
Total Shares	6,25,61,362	100

13. Information to Shareholders

A brief resume of the director reappointed together with the nature of his experience and details of the other directorships held by him is annexed to the Notice convening the Annual General Meeting.

14. Outstanding GDRs / ADRs / warrants:

The Company does not have any GDRs / ADRs / Warrants or any convertible instruments.

15. Plant Locations: Nil

16. Address for Correspondence

To contact Registrars & Share Transfer Agents for matters relating to shares	M/s. Karvy Computershare Private Limited Karvy Selenium, Tower B, Plot number 31 & 32, Financial District, Gachibowli, Hyderabad 500 032 Tel : 040-67162222 Fax : 040-23001153 E-mail: einward.ris@karvy.com
For any other general matters or in case of any difficulties / grievance	Mr. K. Prabhu, Company Secretary Repco Home Finance Limited, 3rd Floor, Alexander Square, Old No. 34 & 35, New No.2, Sardar Patel Road, Guindy, Chennai – 600032 Telephone: 044- 42106650 Fax No: 044 - 42106651 E-mail: cs@repcohome.com

DEBENTURE TRUSTEES:

M/s. Catalyst Trusteeship Limited, GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038

NON-MANDATORY DISCLOSURES:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

(i) Audit Qualifications

The statutory financial statements of the company are unqualified.

(ii) Separate posts of Chairman and CEO

The Company has separate positions for that of the Chairman and that of the Managing Director & CEO.

(iii) Reporting of Internal Auditor

The Internal Auditor of the company directly reports to the Audit Committee.

COMPLIANCES:

The Company has complied with the mandatory requirements as stipulated under Regulation 34(3) and 53 of SEBI (LODR) Regulations, 2015. The Company has submitted the quarterly compliance to the stock exchanges within the prescribed time limit.

The details of penalties imposed by National Housing Bank during the year are as follows:

1. Rs.30000+GST was levied with respect to the contraventions on (i) Income Recognition (ii) Assets Classification (iii) LTV Norms (iv) Assigning wrong risk-weight resulting in incorrect CAR computation (v) Shortfall in Provisioning (vi) Disbursement of loans on the property for which the approved plan was not available
2. Rs.5000+GST for non compliance with the Fair Practices Code.

Other than the above mentioned penalties, no penalties have been imposed on the Company by any Statutory Authority.

CEO/ CFO CERTIFICATION

In accordance with Regulation 17(8) and Part B of Schedule II of SEBI (LODR) Regulations, 2015, the Managing Director & Chief Executive Officer and the Chief Financial Officer of the Company, have inter alia, certified and confirmed to the Board about the correctness of the financial statements, adequacy of internal control measures and matters to be reported to the Audit Committee.

GOING CONCERN

The directors are satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing the financial statements.

For and on behalf of the Board of Directors

Date : 13 August 2018

Place : Chennai

(R. Varadarajan)

Managing Director

DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT

To
The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2018.

Date : 13 August, 2018

Place : Chennai

(R. Varadarajan)

Managing Director

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Members of

Repco Home Finance Limited

Chennai

1. The Corporate Governance Report prepared by Repco Home Finance Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on March 31, 2018 and verified that atleast one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following committee meetings held April 01, 2017 to March 31, 2018:
 - (a) Board of Directors meeting;
 - (b) Audit committee;

- (c) Annual General meeting;
- (d) Nomination and remuneration committee;
- (e) Stakeholders Relationship Committee;
- (f) Independent directors meeting; and
- (g) Risk management committee;

- v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 2 above.

OTHER MATTERS AND RESTRICTION ON USE

- 9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aniruddh Sankaran

Partner

Membership Number: 211107

Place of Signature: Chennai

Date: August 13, 2018

WEB LINKS

As required under the various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the web link of some of the important documents placed on the website of the Company is provided below:

1. **Code of Conduct for directors and senior management**
https://www.repcohome.com/pdf_files/corporate_governance/CODE%20OF%20CONDUCT.pdf
2. **Corporate Social Responsibility Policy**
https://www.repcohome.com/pdf_files/corporate_governance/CSRP.pdf
3. **Whistle Blower Policy**
https://www.repcohome.com/pdf_files/corporate_governance/Whistle%20Blower%20Policy%20of%20Repco%20Home%20Finance.pdf
4. **Policy on Transactions with Related Parties**
https://www.repcohome.com/pdf_files/corporate_governance/RELATED%20PARTY%20TRANSACTION%20POLICY.pdf
5. **Familiarization Programme**
https://www.repcohome.com/corporate_governance.php
6. **Policy on Remuneration of Directors, Senior Management, KMPs and other employees**
https://www.repcohome.com/pdf_files/corporate_governance/RemunerationPolicy.pdf
7. **Policy on Determination of Materiality**
https://www.repcohome.com/pdf_files/corporate_governance/Policy%20on%20Disclosure%20of%20Material%20Events%20and%20Information.pdf
8. **Archival Policy**
https://www.repcohome.com/corporate_governance/ArchivalPolicy
9. **Code of Practices & Procedures for Fair Disclosures of Unpublished Price Sensitive Information**
https://www.repcohome.com/pdf_files/corporate_governance/Code%20Of%20Practices.pdf
10. **Disclosure under Regulation 14 of SEBI (SBEB) Regulations 2014**
https://www.repcohome.com/corporate_governance/ESOS.pdf
11. **Dividend Distribution Policy**
https://www.repcohome.com/pdf_files/corporate_governance/DIVIDEND_DISTRIBUTION_POLICY.pdf
12. **Details of Stock Options pursuant to SEBI (Share Based Employee Benefits) Regulation, 2014**
https://www.repcohome.com/corporate_governance.php
13. **Extracts of the Annual Return (Form MGT-9)**
https://www.repcohome.com/corporate_governance.php
14. **Letter of Appointment to Independent Directors**
https://www.repcohome.com/corporate_governance.php
15. **Policy on Disclosure of Material Events / Information**
https://www.repcohome.com/pdf_files/corporate_governance/Policy%20on%20Disclosure%20of%20Material%20Events%20and%20Information.pdf
16. **Corporate Governance Policy**
https://www.repcohome.com/pdf_files/corporate_governance/CORPORATE%20GOVERNANCE%20POLICY.pdf
17. **Business Responsibility Report 2017-18**
https://www.repcohome.com/corporate_governance.php

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REPCO HOME FINANCE LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Repco Home Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. 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 the design, implementation and maintenance of adequate internal financial control 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act,

the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2018, its profit, and its cash flows for the year ended on that date.

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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 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 it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund` by the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Aniruddh Sankaran**

Partner

Membership Number: 211107

Place of Signature: Chennai

Date: May 23, 2018

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

Re: Repco Home Finance Limited (“the Company”)

- | | |
|--|--|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.</p> <p>(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.</p> <p>(ii) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.</p> <p>(iii) (a) According to the information and explanations given to us, 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. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.</p> <p>(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made</p> | <p>and, guarantees, and securities given have been complied with by the company.</p> <p>(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.</p> <p>(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.</p> <p>(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, value added tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to duty of custom and duty of excise are not applicable to the Company</p> <p>(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales-tax, service tax, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.</p> <p>(c) According to the information and explanations given to us, there are no dues of sales-tax, service tax, value added tax and cess which have not been deposited on account of any dispute. The dues outstanding of income tax on account of a dispute is as follows</p> |
|--|--|

Name of the Statute	Nature of dues	Period of dispute	Amount due Rs. In crores*	Forum where it is pending
Income Tax Act, 1961	Income Tax	FY 2012-13	4.04	Income Tax appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	FY 2013-14	4.33	Commissioner of Income tax appeals

* The Company has paid an aggregate of Rs.1.06 crores in protest against these matters and has filled appeal in both the cases.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aniruddh Sankaran

Partner

Membership Number: 211107

Place of Signature: Chennai

Date: May 23, 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF REPCO HOME 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 Repco Home Finance Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 judgement, 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aniruddh Sankaran

Partner

Membership Number: 211107

Place of Signature: Chennai

Date: May 23, 2018

BALANCE SHEET

AS AT MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

Particulars		Note No.	As at 31st March 2018	As at 31st March 2017
I. EQUITY AND LIABILITIES				
1) Shareholder's funds				
(a) Share Capital	1	6256,13,620	6256,13,620	
(b) Reserves and Surplus	2	126572,31,082	107466,75,528	
2) Non-current liabilities				
(a) Long term borrowings	3	509011,62,281	553162,96,644	
(b) Deferred tax liability (Net)	4	4972,52,641	4393,29,956	
(c) Other long term liabilities	5	887,71,032	3446,21,220	
(d) Long term provisions	6	20266,35,275	15114,03,505	
3) Current liabilities				
(a) Short term borrowings	7	152632,97,470	92170,57,756	
(b) Other current liabilities	8	175908,63,002	120922,41,286	
(c) Short term provisions	9	958,07,437	1360,62,769	
Total		997466,33,840	904293,02,284	
II. ASSETS				
1) Non-current assets				
(a) Property, plant and equipment	10	1229,62,195	708,34,550	
(b) Intangible assets	11	119,98,235	203,67,241	
(c) Non-current investments	12	1560,00,000	1560,00,000	
(d) Long term loans and advances	13	922807,81,737	838160,78,588	
(e) Other non current assets	14	207,00,641	-	
2) Current assets				
(a) Cash and bank balances	15	2589,78,753	2249,79,957	
(b) Short term loans and advances	16	63782,95,336	57243,01,467	
(c) Other current assets	17	5169,16,943	4167,40,481	
Total		997466,33,840	904293,02,284	
Significant accounting policies	24			
The accompanying notes are integral part of the financial statements.	25			

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

K Prabhu
Company Secretary

R. Varadarajan
Managing Director

T.S. KrishnaMurthy
Chairman

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

Particulars		Notes No	For The Year ended 31st March 2018	For The Year ended 31st March 2017
	Income			
I	Revenue from operations	18	110542,60,682	104418,49,568
II	Other income	19	229,74,865	170,73,471
	Total income (I + II)		110772,35,547	104589,23,039
	Expenditure			
	Employee benefit expenses	20	4877,27,804	4311,21,607
	Finance cost	21	64834,95,729	64630,90,710
	Provisions and write-offs	22	6699,45,282	5184,81,600
	Depreciation and amortization expenses	10 and 11	309,29,299	356,20,052
	Other expenses	23	2622,64,427	2089,22,057
	Total expenses		79343,62,541	76572,36,026
IV	Profit before tax		31428,73,006	28016,87,013
V	Tax expense:			
	(1) Current tax		10238,00,000	9400,00,000
	(2) Deferred tax (net)		579,22,685	391,69,443
VI	Net profit for the year		20611,50,321	18225,17,570
VII	Earning per equity share:			
	Weighted average no. of shares outstanding during the year		625,61,362	625,54,246
	Nominal value per equity share		10	10
	Earnings per share			
	- Basic earnings per equity share		32.95	29.13
	- Diluted earnings per equity share		32.95	29.13
	Significant accounting policies	24		
	The accompanying notes are integral part of the financial statements.	25		

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

R. Varadarajan
Managing Director

K Prabhu
Company Secretary

T.S. KrishnaMurthy
Chairman

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

		For the year ended March 31, 2018	For the year ended March 31, 2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	NET PROFIT BEFORE TAX	31428,73,006	28016,87,013
	Adjustments For:		
	Depreciation	309,29,299	356,20,052
	(Profit)/Loss on Sale of Fixed Assets	(1,84,714)	1,08,027
	Expenses on Employee Stock Option	-	-
	Bad debts written off	1576,54,667	50,41,229
	Provision for Non-Performing Assets/Standard Assets	5122,90,615	5134,40,371
	Interest Earned on Deposits	(9,87,408)	(15,02,193)
	Dividend received on Investments	(187,20,000)	(124,00,000)
	Operating Profit Before Working Capital Changes	38238,55,465	33419,94,499
	Changes in Working Capital		
	Increase/(Decrease) in long term provisions	63,92,015	64,73,049
	Increase/(Decrease) in short term provisions	105,73,770	151,27,060
	Increase/(Decrease) in other long term/current liabilities	11080,34,406	2787,60,048
	(Increase)/Decrease in long term and short term loans & advances	87,65,934	(352,00,596)
	(Increase)/Decrease in other current and other non current assets	(1209,27,404)	(2180,51,767)
	Operating Profit after Working Capital Changes	48366,94,186	33891,02,293
	Direct Taxes Paid	(10807,65,512)	(9052,31,331)
	Net Cash From Operations	37559,28,674	24838,70,963
	(Increase)/Decrease in Housing/other loans	(86714,48,930)	(114520,58,045)
	(Increase)/Decrease in Current maturities of Housing/other loans	(6549,35,095)	(10401,63,350)
	Net Cash flow used in from/(used in) operating activities (A)	(55704,55,351)	(100083,50,432)
B	Cash Flow From Investing Activities		
	Purchase of fixed assets	(756,41,116)	(349,44,776)
	(Increase)/Decrease in Capital advances	439,51,956	(57,64,987)
	Sale of fixed assets	11,37,892	5,34,725
	Subscription to investments	-	(320,00,000)
	Interest received on deposits	10,37,709	17,40,509
	Dividend received on investments	187,20,000	124,00,000
	Investments/redemption of deposits maturing after three months (net)	148,13,042	(11,30,922)
	Net Cash flow used in from/(used in) Investing Activities (B)	40,19,483	(591,65,451)

(All amounts are in Rupees, unless otherwise stated)

		For the year ended March 31, 2018	For the year ended March 31, 2017
C	Cash Flow From Financing Activities		
	Proceeds from share allotment under Employee stock option scheme	-	1,99,250
	Securities premium received on allotment of shares under Employee stock option scheme	-	12,95,125
	Termloans received from Banks and financial institutions	307450,00,000	142250,00,000
	Termloans availed from banks and financial Institutions repaid	(342675,31,241)	(146881,35,852)
	Proceeds from Issue of Non convertible Debentures	65200,00,000	38500,00,000
	Proceeds from Issue of Non convertible Debentures repaid	(10000,00,000)	
	Proceeds from issue of Commercial paper	235000,00,000	140000,00,000
	Repayment of Commercial Paper	(190000,00,000)	(105000,00,000)
	Proceeds of refinance availed from NHB	-	50000,00,000
	Repayment of Refinance availed from National Housing Bank	(22778,66,000)	(24084,42,000)
	Increase in Short term Borrowings	15462,39,714	7466,91,250
	Dividends Paid (Including Dividend distribution tax)	(1505,94,767)	(1355,16,288)
	Net Cash flow used in from/(used in) Financing Activities (C)	56152,47,706	100910,91,484
	Net Increase/Decrease in cash and cash equivalent D = (A+B+C)	488,11,838	235,75,601
	Cash and Cash Equivalents - Opening Balance (E)	2095,64,035	1859,88,434
	Cash and Cash Equivalents - Closing Balance (D) + (E)	2583,75,873	2095,64,035
	Components of Cash and Cash Equivalents at the end of the year (Also refer note 15)		
	Current account with Banks	1918,69,073	1240,74,896
	Unpaid dividend accounts*	1,35,382	46,432
	Short term deposits	303,05,963	316,19,615
	Cash on Hand	360,65,455	538,23,092
	Total Cash and Cash Equivalents	2583,75,873	2095,64,035

* The company can utilise this balance only towards settlement of the unpaid dividend

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

R. Varadarajan
Managing Director

K Prabhu
Company Secretary

T.S. KrishnaMurthy
Chairman

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018		As at March 31, 2017	
Shareholder's funds				
NOTE 1:				
SHARE CAPITAL				
Authorised Capital				
10,00,00,000 (March 31, 2017- 10,00,00,000) Equity shares of Rs.10/- each		10000,00,000		10000,00,000
Issued, Subscribed & Paid up Capital				
6,25,61,362 (March 31, 2017- 6,25,61,362) Equity shares of Rs.10/- each		6256,13,620		6256,13,620
Total		6256,13,620		6256,13,620
(a) Reconciliation of Share outstanding at the beginning and at the end of the year.				
Equity Shares (Face value of Rs. 10/- each)	No's	Rs.	No's	Rs.
Equity Shares outstanding at the beginning of the year	625,61,362	6256,13,620	625,41,437	6254,14,370
Add: Equity Shares issued and allotted pursuant to exercise of stock options	-	-	19,925	1,99,250
Equity Shares outstanding at the end of the year	625,61,362	6256,13,620	625,61,362	6256,13,620
(b) Shareholders holding more than 5% shares				
Equity Shares				
	No's	% of holding	No's	% of holding
Repco Bank Limited	232,30,606	37.13%	232,30,606	37.13%
Aditya Birla Sunlife Trustee Private Limited	44,83,513	7.17%	39,50,118	6.31%
Franklin Templeton Mutual Fund	45,03,550	7.20%	42,28,956	6.76%
DSP Blackrock Mutual Fund	38,79,502	6.20%	36,21,692	5.79%
(c) Terms / rights attached to Equity Shares:				
The Company has only one class of Equity Share having a par value of Rs.10/- per share. Each holder of Equity Share is entitled to one vote per share.				
Dividend (if any) proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.				
(d) Shares reserved for issue under options: Refer note 25.18 for disclosures relating to employee stock options				
(e) Proposed dividends on Equity shares:				
The board proposed dividend on equity shares after the balance sheet date				
Proposed dividend on equity shares for the year ended on 31 March 2018: Rs. 2.20 per share (31 March 2017: Rs. 2 per share)	1376,34,996		1251,22,724	
DDT on proposed dividend	280,19,247		254,72,043	
		1656,54,243		1505,94,767
Total		1656,54,243		1505,94,767

(All amounts are in Rupees, unless otherwise stated)

		As at March 31, 2018		As at March 31, 2017	
NOTE 2:					
RESERVES AND SURPLUS					
a.	Special reserve in accordance with section 36(i) (viii) of Income tax act,1961 and Section 29 (C) of National Housing Bank Act 1987				
	Opening balance	26521,00,000		21411,00,000	
	Add: Transfer from statement of profit & loss	5565,00,000		5110,00,000	
	Closing balance		32086,00,000		26521,00,000
b.	Statutory reserve (As per the section 29C of the NHB Act, 1987)				
	Opening balance	12914,00,000		9268,00,000	
	Add: Transfer from statement of profit & loss	4123,00,000		3646,00,000	12914,00,000
	Closing balance		17037,00,000		
c.	Capital redemption reserve				
	Opening balance	10,040		10,040	
	Add: Transfer from statement of profit & loss	-		-	
	Closing balance		10,040		10,040
d.	Securities premium				
	Opening balance	31842,49,683		31747,25,533	
	Add : Received during the year	-		95,24,150	
	Closing balance		31842,49,683		31842,49,683
e.	General reserve				
	Opening balance	12594,36,060		10496,76,870	
	Add: Transfer from statement of profit & loss	2000,00,000		2000,00,000	
	Add: Transfer from ESOP outstanding on account of lapsed options	-		97,59,190	
	Closing balance		14594,36,060		12594,36,060
f.	Employee stock option outstanding		-		-
	Opening balance	-		179,88,215	
	Add: Additions on account of grants during the year	-		-	
	Less: Transferred to securities premium on account of exercise of options	-		82,29,025	
	Less: Transferred to general reserve on unexercised options lapsed / cancelled	-		97,59,190	
	Closing balance		-	-	-
g.	Surplus in statement of profit and loss				
	Opening balance	23594,79,745		16125,85,941	
	Add: Net profit for the year	20611,50,321		18225,17,570	
	Amount available for appropriation	44206,30,066		34351,03,511	
	Less: Appropriation				
	Transfer to special reserve in accordance with Section 36(i)(viii) of the Income tax Act, 1961	5565,00,000		5110,00,000	
	Section 29C of National Housing Bank Act, 1987				
	Transfer to additional reserve (U/s 29C of the NHB Act)	4123,00,000		3646,00,000	
	Transfer to general reserve	2000,00,000		2000,00,000	
	Dividend for previous year (including dividend distribution tax)	1505,94,767		23,766	
		13193,94,767		10756,23,766	
	Closing balance		31012,35,299		23594,79,745
	Total		126572,31,082		107466,75,528

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
Note 3:		
LONG TERM BORROWINGS		
Secured:		
Term loan from banks & financial institutions	433137,04,227	468362,35,468
Term loan by way of refinance from NHB	94231,20,000	117009,86,000
Redeemable non-convertible debentures	133700,00,000	78500,00,000
Total	661068,24,227	663872,21,468
Less : Current maturities of long term borrowings		
Term loan from banks & financial institutions	(83255,15,946)	(77930,58,824)
Term loan by way of refinance from NHB	(17801,46,000)	(22778,66,000)
Redeemable non-convertible debentures	(51000,00,000)	(10000,00,000)
Amount Disclosed Under the Head "Other Current Liabilities" (Note 8)	(152056,61,946)	(110709,24,824)
Non - Current maturities of long term borrowings		
Term loan from banks & financial institutions	349881,88,281	390431,76,644
Term loan by way of refinance from NHB	76429,74,000	94231,20,000
Redeemable non-convertible debentures	82700,00,000	68500,00,000
Total	509011,62,281	553162,96,644

- Refinance form National Housing Bank (NHB) and other Term Loans from banks and financial institutions are secured by first and exclusive charge on the specific book debts/receivables of the Company and an irrevocable Power of Attorney (POA) given by the company in favour of the Banks/NHB for recovery of dues and for creation of mortgage on the properties of the loan borrowers of the Company.
- Redeemable Non convertible debentures are secured by first and exclusive charge on the specific assets by way of Hypothecation of Book debts and receivables and also by way of mortgage of specific immovable property in favour of Debenture trustees.
- The details regarding repayment and interest is given under Annexure-A.

Annexure - A

Maturity profile of Term Loans from National Housing Bank

(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
6.00 to 8.00	107.72	118.67	103.67	180.35	29.98	540.39
	(140.50)	(145.48)	(80.87)	(149.27)	(Nil)	(516.12)
8.01 to 9.00	61.78	94.41	62.23	108.85	4.44	331.71
	(65.05)	(115.38)	(78.65)	(160.49)	(57.55)	(477.12)
9.01 to 9.80	8.51	17.02	17.02	27.66	-	70.21
	(22.24)	(44.48)	(40.63)	(69.52)	(Nil)	(176.87)
Total	178.01	230.10	182.91	316.86	34.42	942.31
	(227.79)	(305.34)	(200.15)	(379.28)	(57.55)	(1,170.11)

Maturity profile of Term Loans from Banks & Financials Institutions
(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
7.50 to 8.00	6.25	12.50	12.50	18.73	-	49.98
	-	-	-	-	-	-
8.00 to 8.14	850.72	351.53	351.53	240.72	-	1,794.49
	-	-	-	-	-	-
8.15 to 8.30	507.17	852.72	473.37	268.47	-	2,101.74
	(60.00)	(255.44)	(175.19)	(51.94)	-	(542.57)
8.31 to 8.60	187.24	333.94	284.23	183.57	-	988.99
	(229.16)	(392.19)	(309.29)	(269.58)	-	(1,200.22)
8.61 to 9.00	5.00	10.00	10.00	5.00	-	30.00
	(107.14)	(152.45)	(43.02)	(5.30)	-	(307.91)
9.00 to 9.30	-	-	-	-	-	-
	(25.00)	(50.00)	(50.00)	(62.50)	-	(187.50)
9.31 to 9.50	2.50	20.00	20.00	50.00	-	92.50
	(230.48)	(451.45)	(422.39)	(522.56)	(37.31)	(1,664.19)
9.51 to 9.75	-	-	-	-	-	-
	(124.78)	(249.67)	(198.65)	(205.38)	-	(778.48)
9.76 to 9.95	-	-	-	-	-	-
	(2.75)	-	-	-	-	(2.75)
Total	1,558.88	1,580.69	1,151.63	766.50	-	5,057.70
	(779.31)	(1,551.20)	(1,198.54)	(1,117.26)	(37.31)	(4,683.62)

Maturity profile of Commercial Papers
(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
7.10 to 7.25	-	-	-	-	-	-
	(350.00)	-	-	-	-	(350.00)
7.26 to 8.00	800.00	-	-	-	-	800.00
	-	-	-	-	-	-
Total	800.00	-	-	-	-	800.00
	(350.00)	-	-	-	-	(350.00)

Maturity profile of Non Convertible Debentures
(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
8.05	-	180.00	-	272.00	-	452.00
	-	-	-	-	-	-
8.20	-	100.00	-	-	-	100.00
	-	-	-	-	-	-
8.25	-	100.00	-	-	-	100.00
	-	-	-	-	-	-
8.50	-	100.00	-	-	-	100.00
	-	(100.00)	-	-	-	(100.00)
8.72	150.00	-	-	-	-	150.00
	-	(150.00)	-	-	-	(150.00)
8.78	25.00	25.00	-	-	-	50.00
	-	(50.00)	-	-	-	(50.00)
8.95	35.00	50.00	-	-	-	85.00
	-	(85.00)	-	-	-	(85.00)
9.21	200.00	-	-	-	-	200.00
	-	(200.00)	-	-	-	(200.00)
9.35	100.00	-	-	-	-	100.00
	-	(100.00)	-	-	-	(100.00)
9.55	-	-	-	-	-	-
	(100.00)	-	-	-	-	(100.00)
Total	510.00	555.00	-	272.00	-	1,337.00
	(100.00)	(685.00)	-	-	-	(785.00)

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 4:		
DEFERRED TAX LIABILITY		
Deferred tax assets:		
Provision for non performing, standard assets and contingencies	5999,65,475	4733,38,051
Provision for leave encashment	178,90,294	125,26,014
Gross deferred tax asset (A)	6178,55,769	4858,64,065
Deferred tax liabilities:		
Difference between written down value of fixed assets as per companies act and as per income tax act.,	46,76,122	73,55,253
Tax liabilities in respect of reserve created u/s 36(i)(viii) of the Income Tax Act 1961	11104,32,288	9178,38,768
Gross deferred tax liability (B)	11151,08,410	9251,94,021
Net Deferred Tax Liability (B-A)	4972,52,641	4393,29,956

NOTE 5:		
OTHER LONG TERM LIABILITIES		
Interest accrued but not due on long term borrowings	887,71,032	3446,21,220
Total	887,71,032	3446,21,220

NOTE 6:		
LONG TERM PROVISIONS:		
Provision for employee benefits		
Provision for gratuity (refer note 25.15)	33,74,899	19,54,920
Provision for compensated absences (Refer note 25.14)	346,41,104	296,69,068
	380,16,003	316,23,988
Other provisions for :		
Non-performing advances (Refer note 25.4.20 and 25.14)	15717,46,014	11010,51,893
Standard advances (Refer note 25.4.20 and 25.14)	3907,23,438	3731,24,434
Contingencies (Refer note 25.4.20 and 25.14)	261,49,820	56,03,190
Total	20266,35,275	15114,03,505

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 7:		
SHORT TERM BORROWINGS:		
(a) Secured		
Loans repayable on demand		
From scheduled banks*	10365,09,850	7357,38,818
From related parties		
- Repco Bank Limited (Refer note 25.4.14)	62267,87,620	49813,18,938
(b) Un-secured		
Commercial paper*	80000,00,000	35000,00,000
Total	152632,97,470	92170,57,756

The above secured borrowings are secured by book debts / receivables of the company and an irrevocable Power of Attorney given by the Company in favour of the Banks for recovery of monies and for creation of mortgage on the properties of the loan borrowers of the Company.

* The details regarding repayment and interest is given under Annexure-A

NOTE 8:		
OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings	152056,61,946	110709,24,824
Interest accrued but not due on borrowings	12976,01,591	5069,76,585
Advance receipts	20,02,333	31,82,130
Statutory dues	158,96,809	135,81,279
Unclaimed dividend	1,35,382	46,432
Book overdraft	9770,93,797	4292,49,957
Other liabilities	924,71,144	682,80,079
Total	175908,63,002	120922,41,286

NOTE 9:		
SHORT TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	47,97,020	41,08,781
Provision for compensated absences	170,52,997	65,24,915
Others	414,00,801	420,43,352
	632,50,818	526,77,048
Other provisions for :		
Standard advances	325,56,619	291,05,759
Income tax (net of advance tax paid)	-	542,79,962
	325,56,619	833,85,721
Total	958,07,437	1360,62,769

NOTE 10:
PROPERTY, PLANT AND EQUIPMENT

(All amounts are in Rupees, unless otherwise stated)

Particulars	Land & Building	Furniture & Fixtures	Motor Vehicle	Computers	Office Equipment	Electrical installation and equipment	Plant and machinery	Total
Gross block								
As at April 1, 2016	223,48,662	853,46,856	126,50,515	693,52,703	130,43,958	25,72,379	67,97,147	2121,12,220
Add: Additions	-	87,17,412	18,24,193	66,17,401	54,23,114	2,42,305	-	228,24,425
Less: Disposals	-	19,39,367	8,00,504	68,300	2,76,498	1,11,829	1,73,478	33,69,976
As at March 31, 2017	223,48,662	921,24,901	136,74,204	759,01,804	181,90,574	27,02,855	66,23,669	2315,66,669
Add: Additions	473,66,943	90,75,261	37,83,734	105,90,107	45,21,318	2,94,608	-	756,31,971
Less: Disposals	-	33,35,616	6,35,195	20,99,792	20,90,647	2,64,176	-	84,25,426
As at March 31, 2018	697,15,605	978,64,546	168,22,743	843,92,119	206,21,245	27,33,287	66,23,669	2987,73,214
Depreciations / Amortisation								
As at April 1, 2016	43,48,818	723,68,451	60,49,069	492,76,688	49,23,642	10,02,979	24,75,315	1404,44,962
Add: Charge for the year	3,29,938	98,75,606	14,28,045	87,82,781	19,65,840	2,31,687	4,00,484	230,14,381
Less: Disposals	-	18,12,993	4,28,155	68,300	2,23,357	90,475	1,03,944	27,27,224
As at March 31, 2017	46,78,756	804,31,064	70,48,959	579,91,169	66,66,125	11,44,191	27,71,855	1607,32,119
Add: Charge for the year	6,50,103	76,18,361	17,11,923	91,08,826	28,11,920	2,54,666	3,95,349	225,51,148
Less: Disposals	-	32,70,876	6,03,752	18,92,201	15,23,340	1,82,079	-	74,72,248
As at March 31, 2018	53,28,859	847,78,549	81,57,130	652,07,794	79,54,705	12,16,778	31,67,204	1758,11,019
Net block								
As at March 31, 2018	643,86,746	130,85,997	86,65,613	191,84,325	126,66,540	15,16,509	34,56,465	1229,62,195
As at March 31, 2017	176,69,906	116,93,837	66,25,245	179,10,635	115,24,449	15,58,664	38,51,814	708,34,550

Land and building with a carrying amount of Rs. 12,02,168 (March 31, 2017 - Rs. 12,30,286) are subject to additional charge to secure the company's redeemable non-convertible debentures

NOTE 11
INTANGIBLE ASSETS

(All amounts are in Rupees, unless otherwise stated)

Particulars	Total
Gross block	
As at April 1, 2016	353,54,516
Add: Additions	121,20,351
Less: Disposals	-
As at March 31, 2017	474,74,867
Add: Additions	9,145
Less: Disposals	-
As at March 31, 2018	474,84,012
Depreciations / Amortisation	
As at April 1, 2016	145,01,955
Add: Charge for the year	126,05,671
Less: Disposals	-
As at March 31, 2017	271,07,626
Add: Charge for the year	83,78,151
Less: Disposals	-
As at March 31, 2018	354,85,777
Net block	
As at March 31, 2018	119,98,235
As at March 31, 2017	203,67,241

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 12:		
NON-CURRENT INVESTMENTS:		
At Cost, unquoted, trade		
Investment in Associates:		
156,00,000 (March 31, 2017-156,00,000) equity shares of Rs.10/- each fully paid up in Repco Micro Finance Ltd.,	1560,00,000	1560,00,000
Total	1560,00,000	1560,00,000

NOTE 13:		
LONG TERM LOANS & ADVANCES		
A. Secured & considered good excepting advances classified as non-performing advances		
(i) Housing loan to individuals #	802478,71,325	713394,67,209
(ii) Mortgage / other loans to individuals #	183199,66,230	180596,40,988
Total	985678,37,555	893991,08,197
Less : Current receivables of long term loans & advances		
(i) Housing loan to individuals #	(48189,20,300)	(42672,98,268)
(ii) Mortgage / other loans to individuals #	(15416,22,751)	(14383,09,688)
Amount disclosed under the head "short term loans & advances" (note 16)	(63605,43,051)	(57056,07,956)
Non - current receivables of long term loans & advances		
(i) Housing loan to individuals #	754289,51,025	670721,68,941
(ii) Mortgage / other loans to individuals #	167783,43,479	166213,31,300
Total	922072,94,504	836935,00,241
B. Capital Advances (unsecured, considered good)	24,63,350	464,15,306
C. Security Deposits (unsecured, considered good)	458,51,669	524,49,061
D. Other loans & advances (Unsecured, considered good unless otherwise stated)		
Advance tax (net of provision)	26,85,550	-
Loan to employees	224,86,664	237,13,980
Total	922807,81,737	838160,78,588

Long term housing loans, mortgage loans and other loans including current maturities of such loans granted by the Company are secured by equitable mortgage of property

NOTE 14:		
OTHER NON CURRENT ASSETS		
Deferred finance cost	207,00,641	-
Total	207,00,641	-

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 15 :		
CASH AND BANK BALANCES:		
A. Cash and Cash Equivalens		
(i) Balances with Banks in		
a. Current Accounts	1918,69,073	1240,74,896
b. Deposit Accounts	303,05,963	316,19,615
c. Unpaid Dividend Accounts	1,35,382	46,432
(ii) Cash on Hand	360,65,455	538,23,092
(B) Other Bank Balances		
Balances with scheduled banks in deposit accounts with remaining maturity for less than 12 months.	6,02,880	154,15,922
<i>(Deposits amounting to Rs. 6,02,880/- (March 31, 2017-Rs.16,53,600/-) held jointly by the Company and employees towards security deposit and Rs. Nil/- (March 31, 2017-Rs.1,36,00,000/-) provided as Cash Collateral on which lien noted towards Bank Guarantee issued to NSE by bank)</i>		
Total	2589,78,753	2249,79,957

NOTE 16:		
SHORT TERM LOANS & ADVANCES		
A. Secured & considered good excepting advances classified as non-performing advances		
(i) Current receivables of housing loan to individuals	48189,20,300	42672,98,268
(ii) Current receivables of mortgage / other loans to individuals	15416,22,751	14383,09,688
B. Other loans & advances (Unsecured, considered good unless otherwise stated)		
(i) Advances recoverable in cash or in kind	72,91,475	75,87,136
(ii) Loan to employees	101,50,697	107,51,846
(iii) Travel advance	3,10,113	3,54,529
Total	63782,95,336	57243,01,467

NOTE 17:		
OTHER CURRENT ASSETS		
Interest due from borrowers	3965,93,178	3634,98,117
Pre-emi due from borrowers	224,70,995	201,03,390
Prepaid expenses	4,90,000	-
Interest accrued but not due on deposits	-	50,301
Rental income receivable	35,282	26,000
Deferred finance cost	973,27,488	330,62,673
Total	5169,16,943	4167,40,481

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
NOTE 18:		
REVENUE FROM OPERATIONS		
Interest on loans	107698,15,634	101407,25,613
Processing fees	2323,85,491	2410,30,409
Other operating income	520,59,557	600,93,546
Total	110542,60,682	104418,49,568

NOTE 19:		
OTHER INCOME		
Interest on deposits with bank	9,87,408	15,02,193
Interest others	26,85,643	28,59,278
Dividend received on non-current investments	187,20,000	124,00,000
Rental income	3,47,100	3,12,000
Profit on sale of assets	1,84,714	-
Other income	50,000	-
Total	229,74,865	170,73,471

NOTE 20:		
EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and bonus	3872,49,800	3419,74,130
Contribution to provident and other funds (Refer 25.15)	358,23,127	308,12,619
Staff welfare	646,54,877	583,34,858
Total	4877,27,804	4311,21,607

NOTE 21:		
FINANCE COSTS		
Interest on loan from banks & financial institutions	42225,29,939	47914,77,118
Interest on refinance from national housing bank	7992,94,368	9210,31,614
Interest on non-convertible debentures	11271,24,085	5705,50,740
Interest on commercial papers	3261,29,490	1763,62,077
Other borrowing costs	84,17,847	36,69,161
Total	64834,95,729	64630,90,710

NOTE 22:		
PROVISIONS AND WRITE-OFFS		
Provision for non-performing assets	4706,94,121	4600,86,259
Contingency provisions against standard assets / others	415,96,494	533,54,112
Bad debts written off	1576,54,667	50,41,229
Total	6699,45,282	5184,81,600

(All amounts are in Rupees, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
NOTE 23:		
OTHER EXPENSES		
Advertisement & business promotion	291,43,187	273,60,075
Legal fees	449,05,822	317,44,066
Communication expenses	134,80,782	131,58,538
Professional & consultancy fee (Refer note 23.1)	235,99,844	160,39,396
Electricity expenses	104,69,188	95,02,167
Directors' sitting fee (Refer 25.4.16)	23,55,000	24,65,000
Miscellaneous expenses	179,81,583	113,59,895
Insurance expenses	13,91,317	12,09,614
Printing and stationery	56,31,171	47,37,191
Rates & taxes	80,22,824	15,20,437
Rent	741,45,045	621,93,149
Repairs & maintenance - others	64,35,437	59,24,175
Travelling & conveyance	185,53,545	144,92,021
Training expenses	21,29,362	24,15,376
Vehicle maintenance	25,34,320	26,05,930
Contributions towards CSR activities (Refer 25.19)	13,54,000	18,70,000
Donations	1,32,000	2,17,000
Loss on sale of assets	-	1,08,027
Total	2622,64,427	2089,22,057

NOTE 23.1		
REMUNERATION TO AUDITORS		
As auditor		
Statutory Audit fees including Limited review	21,50,000	22,00,000
Tax Audit fees	1,50,000	1,50,000
Certification fees	1,00,000	60,000
Total (A)	24,00,000	24,10,000
In other capacity (B)	4,91,708	8,02,060
Total (A + B)	28,91,708	32,12,060

NOTE 24:

BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2016 (as amended). The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Company follows the applicable guidelines and directions, including prudential norms for income recognition, asset classification and provisioning as prescribed by the National Housing Bank ("NHB").

SIGNIFICANT ACCOUNTING POLICIES

a) Use of estimates

Preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in that affect reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Revenue recognition

Repayment of housing loans is generally by way of Equated Monthly Installments (EMIs) comprising principal and interest. EMIs commence generally

once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest income on EMI/Pre-EMI cases on housing loan is accounted for on accrual basis. Loan origination income i.e. processing fees and other charges collected upfront, are recognised on origination of the loan. Interest on nonperforming assets are accounted for on receipt basis as per the guidelines and directions issued by the NHB. Charges for delayed payments and additional interest income on delayed EMI/Pre-EMI and cheque bouncing, if any, which are accounted for on receipt basis.

Fees, charges and other revenue is recognised after the service is rendered to the extent that it is probable that the economic benefits will flow to the company and that the revenue can be reliably measured, regardless of when the payment is being made.

Profit / loss on sale of investments is recognised at the time of sale or redemption.

Dividend Income is recognised when the right to receive dividend is established.

c) Property, plant and equipment

Property, plant and equipment, capital work in progress (where relevant) are stated at cost less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its property, plant and equipment.

USEFUL LIFE OF ASSETS:

Asset Description	Estimated Useful Life by the management	Estimated Useful Life as per Schedule II
Buildings	60 years	60 years
Computer Equipment	3-6 years	3-6 years
Office Equipment	3-5 years	5 years
Furniture and fittings	5-10 years	10 years
Motor vehicles	8 years	8 years
Electrical installations and equipment	5-10 years	10 years
Plant and machinery	5-15 years	15 years

Temporary erections included in Furniture and fittings are depreciated over one year.

INTANGIBLE ASSETS / AMORTISATION:

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any, and are amortised over the lower of the estimated useful life/ licensed period on the straight-line basis or five years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year.

e) Impairment of assets

The carrying amount of Assets are reviewed at each Balance sheet date to ascertain impairment based on internal/external factors. An Impairment loss is recognized when the when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of net selling price of assets and their value in use.

f) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

g) Provisions/write-offs on loans and other credit facilities

Loans and other credit facilities are classified as per the National Housing Bank (NHB) guidelines

and directions, into performing and non-performing assets. Further non-performing assets are classified into sub-standard, doubtful and loss assets and provision made based on criteria stipulated by NHB guidelines and directions. Additional provisions are made against specific nonperforming assets over and above stated in NHB guidelines and directions, if in the opinion of the management, increased provisions are necessary.

h) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The company operates defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under this plans is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

i) Lease Accounting

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

j) Taxation

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that

sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

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 taxes relate to the same taxable entity and the same taxation authority

k) Employee share based payments

Stock options granted to the employees under the stock option scheme are evaluated as per the accounting treatment prescribed by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments. The Company follows the intrinsic value method.

l) Provisions and Contingent Liabilities

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

m) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.

n) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Ancillary costs incurred in connection with the arrangement of borrowings is amortised on a straight-line basis, over the tenure of the respective borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset

that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

o) 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 preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

p) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less

q) Operating Cycle

Assets and Liabilities are classified as Current and Non-Current based on the Operating Cycle which has been estimated to be 12 months. All assets and liabilities which are expected to be realised and settled, within a period of 12 months from the date of Balance Sheet have been classified as Current and other assets and liabilities are classified as Non-current. All Non-performing assets are classified as Non-Current.

NOTE 25

NOTES ON ACCOUNTS

Contingent Liabilities not provided for:-

- 25.1 (i) Claims against the Company not acknowledged as debts Rs. 0.21 crore (March 31, 2017- Rs.0.21 crore)
(ii) Disputed Income tax Liability Rs.7.33 crore (March 31 2017- Rs. 5.48 crore)
- 25.2 Commitment towards sanction pending disbursement including part disbursement as on March 31, 2018 - Rs. 486.91 crore (March 31, 2017- Rs. 381.46 crore).
- 25.3 Pending Capital Commitments: Pending capital commitments as on March 31, 2018 is Rs.0.55 crore (March 31, 2017- Rs.0.25 crore).
- 25.4 The following disclosures have been given in terms of the National Housing Bank's notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017:

25.4.1 Capital

	Items	2017-18	2016-17
i)	CRAR (%)	23.04	21.25
ii)	CRAR – Tier I Capital (%)	23.04	21.25
iii)	CRAR – Tier II Capital (%)	--	--
(iv)	Amount of Subordinated debt raised as Tier – II Capital	--	--
(v)	Amount raised by issue of Perpetual Debt instruments	--	--

23.4.2 Reserve Fund U/s 29C of NHB Act, 1987

(Rs in Crore)

Particulars	2017-18	2016-17
Balance at the beginning of the year		
a) Statutory Reserve u/s 29c of the National Housing Bank Act, 1987	129.14	92.68
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	265.21	214.11
c) Total	394.35	306.79
Addition/Appropriation/Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	41.23	36.46
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	55.65	51.10
Less:	-	-
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987		
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29 C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	170.37	129.14
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	320.86	265.21
c) Total	491.23	394.35

25.4.3 Investments

(Rs in Crore)

Particulars	2017-18	2016-17
Value of Investments		
(i) Gross value of Investments	15.60	15.60
(a) In India	15.60	15.60
(b) Outside India	-	-
(ii) Provisions for Depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of Investments	-	-
(a) In India	15.60	15.60
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write off/Written back of excess provisions during the year	-	-
(iv) Closing balance	-	-

25.4.4 Derivatives –NIL

Forward rate agreement (FRA) / Interest rate swaps (IRS) – NIL

Exchange traded interest rate (IR) Derivative – NIL

Disclosure on Risk exposure in Derivatives - NA

25.4.5 Securitisation – NIL

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction – NA

Details of Assignment transactions undertaken by HFCs - NA

Details of non-performing financial assets purchased / sold - NA

25.4.6 Asset Liability Management: Maturity pattern of certain items of assets and liabilities

(Rs in Crore)

	Period	1 day to 30-31 days (one month)	Over 1 month & upto 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & to 1 year	Over 1 year & to 3 years	Over 3 years & upto 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 years	Total
Liabilities												
Deposits	2017-18	--	--	--	--	--	--	--	--	--	--	--
	2016-17											
Borrowings from Banks (including NHB)	2017-18	811.78	10.42	52.23	320.22	542.24	1,810.79	1,334.55	716.06	367.30	34.42	6,000.01
	2016-17	674.65	12.38	86.93	303.21	501.63	1,856.54	1,398.68	962.31	534.23	94.87	6,425.43
Market Borrowings	2017-18	--	400.00	500.00	350.00	60.00	555.00	--	272.00	--	--	2,137.00
	2016-17	--	350.00	--	--	100.00	685.00	--	--	--	--	1,135.00
Foreign Currency Liabilities	2017-18	--	--	--	--	--	--	--	--	--	--	--
	2016-17											
Assets												
Advances	2017-18	94.01	51.07	51.46	156.58	323.36	1,429.99	1,621.38	1,726.47	2,189.64	2,212.82	9,856.78
	2016-17	81.00	45.65	46.04	140.28	290.38	1,281.05	1,475.73	1,597.73	2,079.43	1,902.62	8,939.91
Investments	2017-18	--	--	--	--	--	--	--	--	--	15.60	15.60
	2016-17										15.60	15.60
Foreign Currency Assets	2017-18	--	--	--	--	--	--	--	--	--	--	--
	2016-17											

25.4.7 Exposure to Real Estate Sector

(Rs in Crore)

Category		2017-18	2016-17
a)	Direct Exposure		
	(i) Residential Mortgages -		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	9,291.41	8,431.42
	(i) Out of the above Individual Housing Loans up to Rs.15.00 lakh	3,546.72	3,845.73
	(ii) Commercial Real Estate-		
	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;	565.37	508.49
	(iii) Investments in Mortgage Backed Securities (MBS) and other securities exposures -	--	--
	a. Residential	--	--
	b. Commercial Real Estate	--	--
b)	Indirect Exposure	--	--
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	--	--

25.4.8 Exposure to Capital Market
(Rs in Crore)

Particulars		2017-18	2016-17
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	15.60	15.60
(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)	--	--
Total Exposure to Capital Market		15.60	15.60

25.4.9. Details of financing of parent company products : NIL
25.4.10. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL):

The company has not exceeded limit prescribed by National Housing Bank for Single Borrower Limit (SGL) and Group Borrower Limit (GBL).

25.4.11. Unsecured Advances:

The Company has not financed against intangible securities such as rights, licenses, authority etc as collateral security.

25.4.12. Registration obtained from other financial sector regulaors :

The Company has not obtained registration from any other financial sector regulator.

25.4.13. Disclosure of Penalties imposed by NHB and other regulators :

Based on inspection observations made by the NHB, with reference to the position as of 31-03-2016, the Company has recalculated Net Owned Fund (NOF) and Capital Adequacy Ratio (CAR) as at 31-03-2016. The reported and revised NOF/CAR as at 31-03-2016 along with impact are given below-

Particulars	As at 31-03-2016	
	Reported	Revised
Net Owned Fund (Rs in Crore)	915.95	913.25
Capital Adequacy Ratio (in %)	20.77	20.70

The difference was attributed to additional provisioning due to reclassification of advances, reversal of interest income, netting the provisions created towards standard advances and consequent assignment of risk-weights.

Pursuant to the inspection observations with reference to the financial position of the Company as at 31-03-2016, National Housing Bank levied penalty aggregating to Rs.35,000/- and GST thereon, with respect to the contraventions on (i) Income Recognition (Para-22); (ii) Assets Classification (Para-27); (iii) LTV Norms (Para-27A) (iv) Assigning wrong risk-weight resulting in incorrect CAR computation (Para-30); (v) Shortfall in Provisioning (Para-28) of the Housing Finance Companies (NHB) Directions 2010 and also (vi) disbursement of loans on the property for which the approved plan was not available (Policy Circular No.18) (vii) Guidelines on Fair Practices Code.

25.4.14 Related Party Transactions:

(a) Disclosures in terms of Accounting Standard 18 "Related Party Disclosure" (AS 18) are given below:-

List of related parties:

Repco Bank Ltd.,	Promoter
Repco Micro Finance Ltd.,	Associates

Key Management Personnel

Shri R. Varadarajan	Managing Director
Shri P. Natarajan	Executive Director(upto 31.08.2016)
Shri V. Raghu	Executive Director (upto 31.05.2017)
Shri K. Ashok	Executive Director (upto 31.10.2017)
Shri T. Karunakaran	Chief Financial Officer
Shri K. Prabhu	Company Secretary and Compliance Officer

The Company's related party balances and transactions are summarized as follows:

Remuneration paid to Key Management Personnel:

(Rs. in Crore)

Name of Key Management Personnel	Remuneration Paid	
	Salary including performance incentive and other perquisites (Rs.) #	
	March 31,2018	March 31,2017
Mr. R. Varadarajan	0.62	0.57
Mr. P. Natarajan	Nil	0.25
Mr. V. Raghu	0.12	0.37
Mr. K. Ashok	0.34	0.30
Mr. T. Karunakaran	0.23	0.22
Mr. K. Prabhu	0.19	0.17

The above remuneration excludes contribution to Gratuity fund and provision for leave liability as they are determined on an actuarial basis for the company as a whole.

(Rs in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
Equity Share Capital (Paid-up outstanding)		
Key Management Personnel	0.07	0.07
Repco Bank Ltd.,	23.23	23.23
Repco Micro Finance Ltd.,	---	---
Dividend Received on Investments		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	1.87	1.24
Working Capital Loan Outstanding		
Key Management Personnel	---	---
Repco Bank Ltd.,	622.68	498.13
Repco Micro Finance Ltd.,	---	---
Loans advanced during the year		
Key Management Personnel	0.02	0.11
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Loan repaid During the Year		
Key Management Personnel	0.07	0.62
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Loans Outstanding as at the end of the year		
Key Management Personnel	0.53	0.60
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Interest received on Loans given		
Key Management Personnel	0.05	0.07
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Rent paid		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.43	0.33
Repco Micro Finance Ltd.,	---	---

(Rs. in Crore)

Nature of Transaction	March 31,2018	March 31,2017
Rent received		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.03	0.03
Repco Micro Finance Ltd.,	---	---
Interest paid on Borrowings		
Key Management Personnel	---	---
Repco Bank Ltd.,	43.24	45.55
Repco Micro Finance Ltd.,	---	---
Interest earned on deposits		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.07	0.06
Repco Micro Finance Ltd.,	---	---
Investments made during the year		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	3.20
Investments outstanding as at the end of the year		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	15.60	15.60
Reimbursement – administrative expenses		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.05	0.06
Repco Micro Finance Ltd.,	---	---
Sitting fees received during the year		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	0.01	---
Balances in Deposits Account		
Key Management Personnel	---	---
Repco Bank Ltd.,	3.03	3.16
Repco Micro Finance Ltd.,	---	---
Salary of deputed staff		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	0.01
Repco Micro Finance Ltd.,	---	---

The transactions with related parties were carried out in ordinary course of business and were at arm's length price.

25.4.15 Rating assigned by credit Rating Agencies and migration of rating during the year:
α. Rating assigned by credit rating agencies as follows:-

Instrument	ICRA	CARE
NCD	AA-	AA
Term Loans	AA-	AA
Commercial Papers	A1 +	A1 +

b. Migration of rating during the year : - NIL-
25.4.16 Remuneration of Non-executive Directors:-

The transactions of the non-executive directors vis-à-vis the Company is as below.

Name of the director	Nature of transaction	Amount
Mr.T.S.Krishnamurthy	Payment of sitting fees	2,80,000
Mr. K.Sridhar	Payment of sitting fees	3,25,000
Mr.L. Munishwar Ganesan	Payment of sitting fees	1,50,000
Mr.V.Nadanasabapathy	Payment of sitting fees	6,50,000
Mr.G.R.Sundaravadivel	Payment of sitting fees	6,25,000
Mr.Thomas Paul Diamond	Payment of sitting fees	3,25,000

25.4.17 Net Profit or Loss for the period, prior period items and changes in accounting policies:

During the year (a) no prior period items occurred which has impact on Statement of Profit and loss, (b) no change in Accounting policy, there were no circumstances (other than income recognition on Non performing advances) in which revenue recognition has been postponed pending resolution of significant uncertainty and there is no withdrawal from reserve fund.

25.4.18 Revenue Recognition

There are no circumstances in which revenue recognition has been postponed by the Company pending the resolution of significant uncertainties.

25.4.19 Consolidated Financial Statements (CFS)

RHFL has no subsidiary Company, hence requirement of CFS involving subsidiary Company is not applicable. However associate's financials is consolidated and reported.

Additional Disclosures:
25.4.20 Provisions and Contingencies

(Rs in Crores)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		2017-18	2016-17
1.	Provisions for depreciation on Investment	--	--
2.	Provision made towards Income tax	102.38	94.00
3.	Provision towards NPA	47.07	46.01
4.	Provision for Standard Assets		
	Housing loans to individuals	1.71	3.73
	Mortgage / other loans	(0.21)	0.52
	Commercial loan	0.61	1.00
5.	Other Provision and Contingencies	2.05	0.09

(Rs in Crores)

Break up of Loan & Advances and Provisions thereon (Excluding personal loans / advances extended to employees)	Housing		Non-Housing	
	2017-18	2016-17	2017-18	2016-17
Standard Assets				
a) Total Outstanding Amount	7,869.04	6,996.88	1,747.00	1,748.54
b) Provisions made	32.35	30.58	9.98	9.64
Sub-Standard Assets				
a) Total Outstanding Amount	105.41	106.88	53.16	46.54
b) Provisions made	26.23	21.38	25.80	9.31
c) Provision required	21.08	16.03	10.63	6.98
Doubtful Assets – Category - I				
a) Total Outstanding Amount	63.09	28.23	22.53	18.50
b) Provisions made	48.78	28.23	17.90	18.50
c) Provision required	15.77	7.06	5.63	4.63
Doubtful Assets – Category - II				
a) Total Outstanding Amount	24.74	13.23	13.72	3.81
b) Provisions made	24.74	13.23	13.72	3.81
c) Provision required	9.89	5.29	5.49	1.53
Doubtful Assets – Category - III				
a) Total Outstanding Amount	--	13.19	--	2.46
b) Total Outstanding Amount	--	13.19	--	2.46
c) Total Outstanding Amount	--	13.19	--	2.46
Loss Assets				
a) Total Outstanding Amount	--	--	--	--
b) Provisions made	--	--	--	--
Total				
a) Total Outstanding Amount	8,062.28	7,158.41	1,836.41	1,819.85
b) Provisions made	132.10	106.61	67.40	43.72

Note:

1. The Company's policy is to provide provisions towards NPA as per NHB guidelines. However by way of prudence and abundant caution, Company has provided additional provision over and above the NHB guidelines and has maintained cumulative NPA provision of Rs.157.17 crores (March 31, 2017 - Rs. 110.11 crores)
2. The total outstanding amount mean principal + accrued interest + other charges pertaining to loans
3. The Category of Doubtful Assets will be as under:

Period for which the assets has been considered as doubtful	Category
Up to one year	Category - I
One to three years	Category - II
More than three years	Category - III

25.4.21 Draw Down from Reserves

Not applicable since the company has not drawn down any amount from reserves in the current year as well as previous year.

Concentration of Public Deposits, Advances, Exposures and NPAs.

25.4.22 Concentration of Public Deposits (for Public Deposit taking/holding HFCs):

Not applicable, since the company has not accepted any deposits from the public.

25.4.23 Concentration of Loan & Advances (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Loans & Advances to twenty largest borrowers	111.28	145.49
Percentage of Loans & Advances to twenty largest borrowers to total advances of the HFC	1.13	1.63

25.4.24 Concentration of all exposure (including off-balance sheet exposure) (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Total exposure to twenty largest borrowers/customers	111.28	145.49
Percentage of Loans & Advances to twenty largest borrowers / customers to total exposure of the HFC on borrowers/customers	1.13	1.63

25.4.25 Concentration of NPAs (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Exposure to top ten NPA accounts	31.95	25.41

25.4.26 Sector-wise NPA

Sector		Percentage of NPAs to total advances in that sector	
		As at March 31, 2018	As at March 31, 2017
A.	Housing Loans :		
1.	Individuals	2.41%	2.26%
2.	Builders / Project Loans		
3.	Corporates		
4.	Others (specify)		
B.	Non-Housing Loans:		
1.	Individuals	4.90%	3.95%
2.	Builders/Project Loans		
3.	Corporates		
4.	Others (specify)		

25.4.27 Movement of NPAs (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
(I) Net NPAs to Net Advances (%)	1.29%	1.39%
(II) Movement of NPAs (Gross)		
a) Opening balance	232.84	100.87
b) Additions during the year	148.02	156.32
c) Reductions during the year	98.22	24.35
d) Closing Balances	282.64	232.84
(III) Movement of Net NPAs		
a) Opening Balance	122.73	36.77
b) Additions during the year	99.40	96.75
c) Reductions during the year	96.66	10.79
d) Closing Balances	125.47	122.73

25.4.28 Overseas Assets : The company does not have any overseas assets.

25.4.29 Off-balance sheet SPVs sponsord (which are required to be consolidated as per accounting norms):

The company does not have any off balance sheet Special Purpose Vehicle (SPV) which requires to be consolidated as per accounting norms.

Disclosure of Compliants (As certified by the management)

25.4.30 Customers Compliants

Particulars	As at March 31, 2018	As at March 31, 2017
a) No. of complaints pending at the beginning of the year	Nil	Nil
b) No. of complaints received during the year	33	20
c) No. of complaints redressed during the year	31	20
d) No. of complaints pending at the end of the year	2	Nil

25.5 Deferred Tax:

The components of deferred tax assets and deferred tax Liabilities as on 31-03-2018 and as at 31-03-2017 are as under:

Deferred Tax Assets:

(Rs in crore)

	As at March 31, 2018	As at March 31, 2017
DTA on Provision for Non Performing Advances , Standard Assets and Contingencies	60.00	47.34
Employee Benefits	1.79	1.25
Total (A)	61.79	48.59

Deferred Tax Liabilities:

(Rs in crore)

	As at March 31, 2018	As at March 31, 2017
Difference between written down value of Fixed Assets as per Companies Act and as per Income Tax Act.,	0.47	0.74
Tax Liabilities in respect of reserve created U/s 36(i)(viii) of the Income Tax 1961	111.04	91.78
Total (B)	111.51	92.52
Net Deferred Tax (Asset) / Liability (B-A)	49.72	43.93

25.6 In the opinion of the Board, all Assets other than Fixed Assets and Non current Investments have a realizable value in the Ordinary course of business which is not different from the amount at which it is stated with the exception of Non performing advances for which requisite provision has been made in accordance with the NHB Guidelines.

25.7 There are no Micro, Small and Medium Enterprises (MSME) to whom the Company owes dues, which are outstanding for more than 45 days as at 31-03-2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis at information available with the Company.

25.8 Expenditure incurred in foreign currency: Towards Travelling Expenses - Rs. 0.004 crore (March 31, 2017 -Rs.0.04 crore) and Towards Other borrowing costs - Rs.2.82 crore (March 31, 2017 - Nil) . There are no Earnings in foreign currency during the current year as well as in the previous year.

25.9 There are no amounts to be reflected under payable to Investor Protection Fund.

25.10 In accordance with the Accounting Standard on 'Leases' (AS 19), the following disclosure in respect of operating leases are made:

The Company has taken retail office premises under operating lease/ leave and license agreements for a period ranging upto 120 months. These are generally cancellable and have no specific obligation for renewal. The total

lease payments for current year amounts to Rs.7.41 crores (March 31, 2017 - Rs.6.22 crores) which is recognised in the Statement of Profit and Loss under 'Rent Expenses' under note 23.

Segment reporting-

- 25.11 The main business of the Company is to provide long term loan financing for acquisition / construction of Residential purposes in India. Accordingly, there is no separate reportable segment as per Accounting Standard - AS-17 "Segment Reporting", as the company has only one Geographical and Business segment.

25.12. Earnings per share (Basic and Diluted)

	2017-18	2016-17
(a) Profit for the year after Tax (Rs in crores)	206.12	182.25
(b) Weighted average number of Equity Shares outstanding during the year for Basic Earnings Per Share	625,61,362	625,54,246
(c) Weighted average number of Equity Shares outstanding during the year for Diluted Earnings Per Share	625,61,362	625,54,246
(d) Basic Earnings per Share (in Rs.)	32.95	29.13
(e) Diluted Earnings Per Share (in Rs.)	32.95	29.13
(f) Nominal Value per Equity Share	10	10

25.13 Particulars of dividend paid to Non-resident shareholders:

Year in which dividend paid	2017-18	2016-17
No of Shareholders	1873	830
No of Shares held	150,37,916	177,24,151
Year for Which Dividend is Paid	2016-2017	2015-2016
Gross amount of Dividend (Rupees in Crores)	3.01	3.19

25.14 Details of movement in Provisions in accordance with the Accounting Standard -29 (Rs in crore)

Particulars of Provision for	Opening Balance as on April 1, 2017	Provision made during the year	Provisions reversed/	Closing balance as on March 31, 2018
Non performing advances	110.11	97.18	50.12	157.17
Contingent Provisions on Standard Assets	40.22	2.11	-	42.33
Provision for other contingencies	0.56	2.05	-	2.61
Compensated Absences	3.62	2.50	0.95	5.17

25.15. EMPLOYEE BENEFITS

i. Defined Contribution Plan:

Company Contribution to

- i. Provident fund : Rs. 2.77 Crores (March 31, 2017- Rs. 2.53 Crores)

ii. Defined Benefit Plan: Gratuity

A. Reconciliation of opening and closing balance of present value of the defined benefit obligation

(Rs. in crores)

	2017-18	2016-17
Present value of obligations as at beginning of year	4.78	4.08
Increase in present value of obligation on account of change in actuarial assumptions	-	-
Interest Cost	0.35	0.37
Current Service Cost	1.13	1.33
Benefits Paid	(0.41)	(0.08)
Actuarial loss/(gain) on obligation	(0.38)	(0.93)
Present value obligations as at end of year.	5.47	4.78

B. Reconciliation of opening and closing balances of fair value of Plan Assets
(Rs. in crores)

	2017-18	2016-17
Fund Maintained by LIC		
Fair value of plan assets as at beginning of year	4.18	2.48
Expected return on plan assets	0.34	0.26
Contributions	0.61	1.52
Benefits paid	(0.41)	(0.08)
Actuarial gain on plan assets	(0.07)	(0.01)
Fair value of plan assets at the end of year	4.65	4.18

C. Reconciliation of Present value of defined benefit obligation and fair value of plan assets to the assets and liabilities
(Rs. in crores)

	2017-18	2016-17
Present value of obligations as at the end of the year	(5.47)	(4.78)
Fair value of plan assets at the end of the year	4.65	4.18
Net asset/(liability) recognized in the Balance sheet	(0.82)	(0.61)

D. Expenses recognized in statement of Profit and loss
(Rs. in crores)

	2017-18	2016-17
Current Service Cost	1.13	1.33
Interest Cost	0.35	0.37
Increase in present value of obligation on account of change in actuarial assumptions	-	-
Expected return on plan assets	(0.34)	(0.26)
Net actuarial (Gain)/Loss recognized in the year	(0.32)	(0.92)
Expenses recognized in Statement of Profit and Loss	0.82	0.53

E. Details showing fair value of plan assets
(Rs. in crores)

	2017-18	2016-17
Fair value of plan assets at beginning of year	4.18	2.48
Actual return on plan assets	0.27	0.25
Contributions	0.61	1.52
Benefits paid	(0.41)	(0.08)
Fair value of plan assets at the end of year	4.65	4.18

F. Actuarial assumption
(Rs. in crores)

	2017-18	2016-17
Discount Rate	7.60%	7.10%
Rate of increase in Compensation levels	7.00%	7.00%
Mortality rates	10%	10%

The actuarial valuation of obligations towards compensated absences, as per actuarial certificate as on March 31, 2018 is Rs.5.17 crores (PY - Rs.3.62 crores) and the same is recognized in the books of the company.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Financial statement-

(Rs in Crores)

Net asset / liability recognised in the balance sheet	Present value of defined benefit obligation	Fair value of plan assets	(Deficit)/ Surplus	Experience adjustments on plan liabilities	Experience adjustments on plan assets
March 31, 2018	5.47	4.65	(0.82)	0.38	(0.07)
March 31, 2017	4.78	4.18	(0.61)	0.93	(0.01)
March 31, 2016	4.08	2.48	(1.60)	0.24	0.01
March 31, 2015	1.38	1.72	0.34	(0.27)	-
March 31, 2014	0.89	0.92	0.03	-	-

25.16. Amount of Dividend proposed to be distributed to the Equity Shares holders for the year ended 31/03/2018

(Rs in Crores)

Particulars	2017-18	2016-17
Dividend %	22%	20%
Dividend amount/Share	2.20	2
Total Amount of dividend Proposed to be distributed	13.76	12.51

25.17. Maturity profile of secured and un-secured borrowings is set out below.

(Rs in Crores)

Particulars	Year	Up to 1 Year	Over 1 year to 3 Years	Over 3 years to 5 Years	Over 5 year to 10 Years	Over 10 Years	Total
Secured Loans from Banks & FIs	2017-18	1,558.88	1,580.69	1,151.63	766.50	--	5,057.70
	2016-17	1,351.02	1,551.20	1,198.54	1,117.26	37.32	5,255.34
Term Loans from National Housing Bank (NHB)	2017-18	178.01	230.10	182.92	316.86	34.42	942.31
	2016-17	227.79	305.34	200.15	379.28	57.55	1,170.11
Non Convertible Debenture	2017-18	510.00	555.00	--	272.00	--	1,337.00
	2016-17	100.00	685.00	--	--	--	785.00
Commercial Paper	2017-18	800.00	--	--	--	--	800.00
	2016-17	350.00	--	--	--	--	350.00
Total	2017-18	3,046.89	2,365.79	1,334.55	1,355.36	34.42	8,137.01
	2016-17	2,028.81	2,541.54	1,398.69	1,496.54	94.87	7,560.45

25.18. Employee Stock Option Scheme-2013 (ESOP-2013):

During the year 2013-14 the Company instituted Employee Stock Option Scheme 2013 (ESOP-2013). The Board of Directors and the share holders approved the scheme during the year 2013-14. As on 31-03-2016 the company has following Employee stock options schemes, the features of the same are as follows:

Scheme	ESOP 2013 Tranche I	ESOP 2013 Tranche II
Date of Grant	25th October 2013	26th October 2014
No of Options granted	244375	211745
Exercise Price	Rs. 75/-per share	Rs. 75/-per share
Date of Vesting	One year from the date of grant	One year from the date of grant
Exercise period	Within one year from the date of vesting	Within one year from the date of vesting
Lock In Period	One year from the date of allotment	One year from the date of allotment

The Company has adopted the intrinsic value method in accounting for employee cost on account of ESOP. Based on such valuation, the difference between the Market price on the date of grant and exercise price is accounted as Deferred Employee compensation cost and the same is amortized over the vesting period. Accordingly sums aggregating to Rs. Nil/- (March 31, 2017- Rs. 4,81,66,267/-) is recognized as expenses on employee stock option scheme.

Summary of Employee Stock Options:

Particulars	Tranche-I	Tranche-II
Options outstanding as at the beginning of the year	NIL	43,555
Options granted during the year	NIL	NIL
Options not vested at the start of the year	NIL	NIL
Options lapsed/Forfeited during the year	NIL	23,630
Options exercised during the year	NIL	19,925
Options vested but not exercised at the end of the year	NIL	NIL
Options not vested at the end of the year	NIL	NIL
Weighted average exercise price per option	Rs. 75	Rs. 75

The Black-Scholes Model have been used to derive the estimated value of the stock option granted, if the fair value method to account for the employee share based payment plans were to be used. The estimated value of each stock options and the parameters used for deriving the estimated value of stock option granted under the Black-scholes Model is as follows:

Particulars		ESOS-2013 (Tranche-I)	ESOS-2013 (Tranche-II)
		Vesting on 25th October 2014	Vesting on 26th October 2015
Estimated value of Stock Options	(Rs.)	215.95	417.65
Share Price at grant Date	(Rs.)	285.7	488
Exercise Price at Grant Date	(Rs.)	75	75
Expected Volatility	(%)	29.86	30.92
Dividend Yield Rate	(%)	1.2	1.2
Expected Life of Options	(in years)	0.58	1
Risk Free Rate of Interest	(%)	8.89	8.6

Had the compensation cost for the stock options granted under ESOS-2013 (Tranche- I) and ESOS – 2013 (Tranche – II) been determined on fair value approach, the company's profit after tax and earnings per share would have been as per pro-forma amount indicate below:

(Rs. In crores)

Particulars	2017-2018	2016-2017
Profit after tax As reported	NA	182.25
Profit Considered for computing EPS (pro-forma)	NA	NA
Earnings per Share – Basic		
As Reported (Rs.)	NA	29.13
pro-forma (Rs.)	NA	NA
Earnings Per Share – Diluted		
As Reported (Rs.)	NA	29.13
pro-forma (Rs.)	NA	NA

25.19 Expenditure towards Corporate Social responsibility:

The gross amount required to be spent by the company during the year 2017-18 as CSR expenditure under section 135 of the Companies Act of 2013 is Rs.4.53 Crores/-(March 31, 2017-Rs. 3.73 Crores) . The amount is required to be spent on activities qualifying as CSR expenditure as per schedule VII of the Companies Act 2013.

During the financial year 2017-18 the company has spent sums aggregating to Rs.0.14 crore (Rs.0.19 crore) towards CSR activities. The details of disclosure as per the Guidance issued by the Institute of Chartered Accountants of India is as follows:-

(a) Gross amount required to be spent by the Company during the year Rs.4.53 Crores/-

(b) Amount spent during the year:- (Rs. in Crores)

Particulars	2017-18	2016-17
(i) Construction or acquisition of any asset	-	-
(ii) On purposes other than (i)	0.14	0.19
Total	0.14	0.19

25.20 The figures of the previous year have been audited by a firm of chartered accountants other than S.R. Batliboi & Associates LLP. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / presentation.

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

K Prabhu
Company Secretary

R. Varadarajan
Managing Director

T.S. KrishnaMurthy
Chairman

CONSOLIDATED
FINANCIAL STATEMENT
2017 - 2018

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
I. EQUITY AND LIABILITIES			
1) Shareholder's Funds			
(a) Share Capital	1	6256,13,620	6256,13,620
(b) Reserves and Surplus	2	128498,54,113	108698,55,461
2) Non-current liabilities			
(a) Long term borrowings	3	509011,62,281	553162,96,644
(b) Deferred tax liability (Net)	4	4972,52,641	4393,29,956
(c) Other long term liabilities	5	887,71,032	3446,21,220
(d) Long term provisions	6	20266,35,275	15114,03,505
3) Current liabilities			
(a) Short term borrowings	7	152632,97,470	92170,57,756
(b) Other current liabilities	8	175908,63,002	120922,41,286
(c) Short term provisions	9	958,07,437	1360,62,769
Total		999392,56,871	905524,82,217
II. ASSETS			
1) Non-current assets			
(a) Property, plant and equipment	10	1229,62,195	708,34,550
(b) Intangible assets	11	119,98,235	203,67,241
(c) Non-current investments	12	3486,23,031	2791,79,933
(d) Long term loans and advances	13	922807,81,737	838160,78,588
(e) Other non current assets	14	207,00,641	-
2) Current Assets			
(a) Cash and bank balances	14	2589,78,753	2249,79,957
(b) Short term loans and advances	15	63782,95,336	57243,01,467
(c) Other current assets	16	5169,16,943	4167,40,481
Total		999392,56,871	905524,82,217
Significant accounting policies	24		
The accompanying notes are integral part of the financial statements.	25		

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

K Prabhu
Company Secretary

R. Varadarajan
Managing Director

T.S. KrishnaMurthy
Chairman

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2018

(All amounts are in Rupees, unless otherwise stated)

Particulars	Notes No	For the year ended 31st March 2018	For the year ended 31st March 2017
Income			
I Revenue from operations	18	110542,60,682	104418,49,568
II Other income	19	229,74,865	170,73,471
Total income (I+II)		110772,35,547	104589,23,039
Expenditure			
Employee benefit expenses	20	4877,27,804	4311,21,607
Finance cost	21	64834,95,729	64630,90,710
Provisions and write-offs	22	6699,45,282	5184,81,600
Depreciation and amortization expenses	10 and 11	309,29,299	356,20,052
Other expenses	23	2622,64,427	2089,22,057
Total expenses		79343,62,541	76572,36,026
IV Profit before tax		31428,73,006	28016,87,013
V Tax expense:			
(1) Current tax		10238,00,000	9400,00,000
(2) Deferred tax (net)		579,22,685	391,69,443
Net profit for the year		20611,50,321	18225,17,570
VI Share of profit/(loss) of associate (Net)		919,74,050	540,47,528
VII Net Profit/(Loss) for the period (XI + XII)		21531,24,371	18765,65,098
VIII Earning per equity share:			
Weighted average no. of shares outstanding during the year		625,61,362	625,54,246
Nominal value per equity share		10	10
Earnings per share			
- Basic earnings per equity share		34.42	30.00
- Diluted earnings per equity share		34.42	30.00
Significant accounting policies	24		
The accompanying notes are integral part of the financial statements.	25		

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

R. Varadarajan
Managing Director

K Prabhu
Company Secretary

T.S. KrishnaMurthy
Chairman

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

		For the year ended March 31, 2018	For the year ended March 31, 2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	NET PROFIT BEFORE TAX	31428,73,006	28016,87,013
	Adjustments For:		
	Depreciation	309,29,299	356,20,052
	(Profit)/Loss on Sale of Fixed Assets	(1,84,714)	1,08,027
	Expenses on Employee Stock Option	-	-
	Bad debts written off	1576,54,667	50,41,229
	Provision for Non-Performing Assets/Standard Assets	5122,90,615	5134,40,371
	Interest Earned on Deposits	(9,87,408)	(15,02,193)
	Dividend received on Investments	(187,20,000)	(124,00,000)
	Operating Profit Before Working Capital Changes	38238,55,465	33419,94,499
	Changes in Working Capital		
	Increase/(Decrease) in long term provisions	63,92,015	64,73,049
	Increase/(Decrease) in short term provisions	105,73,770	151,27,060
	Increase/(Decrease) in other long term/current liabilities	11080,34,406	2787,60,048
	(Increase)/Decrease in long term and short term loans & advances	87,65,934	(352,00,596)
	(Increase)/Decrease in other current and other non current assets	(1209,27,404)	(2180,51,767)
	Operating Profit after Working Capital Changes	48366,94,186	33891,02,293
	Direct Taxes Paid	(10807,65,512)	(9052,31,331)
	Net Cash From Operations	37559,28,674	24838,70,963
	(Increase)/Decrease in Housing/other loans	(86714,48,930)	(114520,58,045)
	(Increase)/Decrease in Current maturities of Housing/other loans	(6549,35,095)	(10401,63,350)
	Net Cash flow used in from/(used in) operating activities (A)	(55704,55,351)	(100083,50,432)
B	Cash Flow From Investing Activities		
	Purchase of fixed assets	(756,41,116)	(349,44,776)
	(Increase)/ Decrease in Capital advances	439,51,956	(57,64,987)
	Sale of fixed assets	11,37,892	5,34,725
	Subscription to investments	-	(320,00,000)
	Interest received on deposits	10,37,709	17,40,509
	Dividend received on investments	187,20,000	124,00,000
	Investments/redemption of deposits maturing after three months (net)	148,13,042	(11,30,922)
	Net Cash Flow used in from/(used in) Investing Activities (B)	40,19,483	(591,65,451)

(All amounts are in Rupees, unless otherwise stated)

		For the year ended March 31, 2018	For the year ended March 31, 2017
C	Cash Flow From Financing Activities		
	Proceeds from share allotment under Employee stock option scheme	-	1,99,250
	Securities premium received on allotment of shares under Employee stock option scheme	-	12,95,125
	Termloans received from Banks and financial institutions	307450,00,000	142250,00,000
	Termloans availed from banks and financial Institutions repaid	(342675,31,241)	(146881,35,852)
	Proceeds from Issue of Non convertible Debentures	65200,00,000	38500,00,000
	Proceeds from Issue of Non convertible Debentures repaid	(10000,00,000)	
	Proceeds from issue of Commercial paper	235000,00,000	140000,00,000
	Repayment of Commercial Paper	(190000,00,000)	(105000,00,000)
	Proceeds of refinance availed from NHB	-	50000,00,000
	Repayment of Refinance availed from National Housing Bank	(22778,66,000)	(24084,42,000)
	Increase in Short term Borrowings	15462,39,714	7466,91,250
	Dividends Paid(Including Dividend distribution tax)	(1505,94,767)	(1355,16,288)
	Net Cash flow used in from/(used in) Financing Activities (C)	56152,47,706	100910,91,484
	Net Increase/Decrease in cash and cash equivalent D = (A+B+C)	488,11,838	235,75,601
	Cash and Cash Equivalents - Opening Balance (E)	2095,64,035	1859,88,434
	Cash and Cash Equivalents - Closing Balance (D) + (E)	2583,75,873	2095,64,035
	Components of Cash and Cash Equivalents at the end of the year (Also refer note 15)		
	Current account with Banks	1918,69,073	1240,74,896
	Unpaid dividend accounts*	1,35,382	46,432
	Short term deposits	303,05,963	316,19,615
	Cash on Hand	360,65,455	538,23,092
	Total Cash and Cash Equivalents	2583,75,873	2095,64,035

* The company can utilise this balance only towards settlement of the unpaid dividend

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

R. Varadarajan
Managing Director

K Prabhu
Company Secretary

T.S. KrishnaMurthy
Chairman

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2018

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018		As at March 31, 2017	
Shareholder's Funds				
NOTE 1:				
SHARE CAPITAL				
Authorised Capital				
10,00,00,000 (March 31, 2017- 10,00,00,000) Equity shares of Rs.10/- each		10000,00,000		10000,00,000
Issued, Subscribed & Paid up Capital				
6,25,61,362 (March 31, 2017- 6,25,61,362) Equity shares of Rs.10/- each		6256,13,620		6256,13,620
Total		6256,13,620		6256,13,620
(a) Reconciliation of Share outstanding at the beginning and at the end of the year.				
Equity Shares (Face value of Rs. 10/- each)	No's	Rs.	No's	Rs.
Equity Shares outstanding at the beginning of the year	625,61,362	6256,13,620	625,41,437	6254,14,370
Add: Equity Shares issued and allotted pursuant to exercise of stock options	-	-	19,925	1,99,250
Equity Shares outstanding at the end of the year	625,61,362	6256,13,620	625,61,362	6256,13,620
(b) Shareholders holding more than 5% shares				
Equity Shares				
Name of Equity Shareholder (Equity Shareholder holding more than 5 % of Equity share capital)	No's	% of holding	No's	% of holding
Repco Bank Limited	232,30,606	37.13%	232,30,606	37.13%
Aditya Birla Sunlife Trustee Private Limited	44,83,513	7.17%	39,50,118	6.31%
Franklin Templeton Mutual Fund	45,03,550	7.20%	42,28,956	6.76%
DSP Blackrock Mutual Fund	38,79,502	6.20%	36,21,692	5.79%
(c) Terms / rights attached to Equity Shares:				
The Company has only one class of Equity Share having a par value of Rs.10/- per share. Each holder of Equity Share is entitled to one vote per share.				
Dividend (if any) proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.				
(d) Shares reserved for issue under options: Refer note 25.18 for disclosures relating to employee stock options				
(e) Proposed dividends on Equity shares: The board proposed dividend on equity shares after the balance sheet date				
Proposed dividend on equity shares for the year ended on 31 March 2018: Rs. 2.20 per share (31 March 2017: Rs. 2 per share)	1376,34,996		1251,22,724	
DDT on proposed dividend	280,19,247		254,72,043	
		1656,54,243		1505,94,767
Total		1656,54,243		1505,94,767

(All amounts are in Rupees, unless otherwise stated)

		As at March 31, 2018		As at March 31, 2017	
NOTE 2:					
RESERVES AND SURPLUS					
a.	Special reserve in accordance with section 36(i) (viii) of Income tax act,1961 and Section 29 (C) of National Housing Bank Act 1987				
	Opening balance	26521,00,000		21411,00,000	
	Add: Transfer from statement of profit & loss	5565,00,000		5110,00,000	
	Closing balance		32086,00,000		26521,00,000
b.	Statutory reserve (As per the section 29C of the NHB Act, 1987)				
	Opening balance	12914,00,000		9268,00,000	
	Add: Transfer from statement of profit & loss	4123,00,000		3646,00,000	12914,00,000
	Closing balance		17037,00,000		
c.	Capital redemption reserve				
	Opening balance	10,040		10,040	
	Add: Transfer from statement of profit & loss	-		-	
	Closing balance		10,040		10,040
d.	Securities premium account				
	Opening balance	31842,49,683		31747,25,533	
	Add : Received during the year	-		95,24,150	
	Closing balance		31842,49,683		31842,49,683
e.	General reserve				
	Opening balance	12594,36,060		10496,76,870	
	Add: Transfer from statement of profit & loss	2000,00,000		2000,00,000	
	Add: Transfer from ESOP outstanding on account of lapsed options	-		97,59,190	
	Closing balance		14594,36,060		12594,36,060
f.	Employee stock option outstanding				
	Opening balance	-		179,88,215	
	Add: Additions on account of grants during the year	-		-	
	Less: Transferred to securities premium on account of exercise of options	-		82,29,025	
	Less: Transferred to general reserve on unexercised options lapsed / cancelled	-		97,59,190	
	Closing balance		-	-	-
g.	Surplus in Statement of Profit and Loss				
	Opening balance	24826,59,678		16966,42,738	
	Add: Net profit for the year	21531,24,371		18765,65,098	
	Less: Dividend received from associate credited to carrying value of investment (PY incl of DDT)	(225,30,952)		(149,24,392)	
	Amount available for appropriation	46132,53,097		35582,83,444	
	Less: Appropriation				
	Transfer to special reserve in accordance with Section 36(i)(viii) of the Income tax Act, 1961	5565,00,000		5110,00,000	
	Section 29C of National Housing Bank Act, 1987				
	Transfer to additional reserve (U/s 29C of the NHB Act)	4123,00,000		3646,00,000	
	Transfer to general reserve	2000,00,000		2000,00,000	
	Dividend for previous year (including dividend distribution tax)	1505,94,767		23,766	
		13193,94,767		10756,23,766	
	Closing balance		32938,58,330		24826,59,678
	Total		128498,54,113		108698,55,461

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
Note 3:		
LONG TERM BORROWINGS		
Secured:		
Term loan from banks & financial institutions	433137,04,227	468362,35,468
Term loan by way of refinance from NHB	94231,20,000	117009,86,000
Redeemable non-convertible debentures	133700,00,000	78500,00,000
Total	661068,24,227	663872,21,468
Less : Current maturities of long term borrowings		
Term loan from banks & financial institutions	(83255,15,946)	(77930,58,824)
Term loan by way of refinance from NHB	(17801,46,000)	(22778,66,000)
Redeemable non-convertible debentures	(51000,00,000)	(10000,00,000)
Amount Disclosed Under the Head "Other Current Liabilities" (Note 8)	(152056,61,946)	(110709,24,824)
Non - Current maturities of long term borrowings		
Term loan from banks & financial institutions	349881,88,281	390431,76,644
Term loan by way of refinance from NHB	76429,74,000	94231,20,000
Redeemable non-convertible debentures	82700,00,000	68500,00,000
Total	509011,62,281	553162,96,644

- (i) Refinance form National Housing Bank (NHB) and other Term Loans from banks and financial institutions are secured by first and exclusive charge on the specific book debts/receivables of the Company and an irrevocable Power of Attorney (POA) given by the company in favour of the Banks/NHB for recovery of dues and for creation of mortgage on the properties of the loan borrowers of the Company.
- (ii) Redeemable Non convertible debentures are secured by first and exclusive charge on the specific assets by way of Hypothecation of Book debts and receivables and also by way of mortgage of specific immovable property in favour of Debenture trustees.
- (iii) The details regarding repayment and interest is given under Annexure-A

Annexure - A

Maturity profile of Term Loans from National Housing Bank

(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
6.00 to 8.00	107.72	118.67	103.67	180.35	29.98	540.39
	(140.50)	(145.48)	(80.87)	(149.27)	(Nil)	(516.12)
8.01 to 9.00	61.78	94.41	62.23	108.85	4.44	331.71
	(65.05)	(115.38)	(78.65)	(160.49)	(57.55)	(477.12)
9.01 to 9.80	8.51	17.02	17.02	27.66	-	70.21
	(22.24)	(44.48)	(40.63)	(69.52)	(Nil)	(176.87)
Total	178.01	230.10	182.91	316.86	34.42	942.31
	(227.79)	(305.34)	(200.15)	(379.28)	(57.55)	(1,170.11)

Maturity profile of Term Loans from Banks & Financials Institutions
(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
7.50 to 8.00	6.25	12.50	12.50	18.73	-	49.98
	-	-	-	-	-	-
8.00 to 8.14	850.72	351.53	351.53	240.72	-	1,794.49
	-	-	-	-	-	-
8.15 to 8.30	507.17	852.72	473.37	268.47	-	2,101.74
	(60.00)	(255.44)	(175.19)	(51.94)	-	(542.57)
8.31 to 8.60	187.24	333.94	284.23	183.57	-	988.99
	(229.16)	(392.19)	(309.29)	(269.58)	-	(1,200.22)
8.61 to 9.00	5.00	10.00	10.00	5.00	-	30.00
	(107.14)	(152.45)	(43.02)	(5.30)	-	(307.91)
9.00 to 9.30	-	-	-	-	-	-
	(25.00)	(50.00)	(50.00)	(62.50)	-	(187.50)
9.31 to 9.50	2.50	20.00	20.00	50.00	-	92.50
	(230.48)	(451.45)	(422.39)	(522.56)	(37.31)	(1,664.19)
9.51 to 9.75	-	-	-	-	-	-
	(124.78)	(249.67)	(198.65)	(205.38)	-	(778.48)
9.76 to 9.95	-	-	-	-	-	-
	(2.75)	-	-	-	-	(2.75)
Total	1,558.88	1,580.69	1,151.63	766.50	-	5,057.70
	(779.31)	(1,551.20)	(1,198.54)	(1,117.26)	(37.31)	(4,683.62)

Maturity profile of Commercial Papers
(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
7.10 to 7.25	-	-	-	-	-	-
	(350.00)	-	-	-	-	(350.00)
7.26 to 8.00	800.00	-	-	-	-	800.00
	-	-	-	-	-	-
Total	800.00	-	-	-	-	800.00
	(350.00)	-	-	-	-	(350.00)

Maturity profile of Non Convertible Debentures
(Rs. in Crore)

Rate of Interest (%)	Maturities					Total
	Upto 1 Year	Over 1 Year to 3 Years	Over 3 Years to 5 Years	Over 5 Year to 10 Years	Over 10 Years	
8.05	-	180.00	-	272.00	-	452.00
	-	-	-	-	-	-
8.20	-	100.00	-	-	-	100.00
	-	-	-	-	-	-
8.25	-	100.00	-	-	-	100.00
	-	-	-	-	-	-
8.50	-	100.00	-	-	-	100.00
	-	(100.00)	-	-	-	(100.00)
8.72	150.00	-	-	-	-	150.00
	-	(150.00)	-	-	-	(150.00)
8.78	25.00	25.00	-	-	-	50.00
	-	(50.00)	-	-	-	(50.00)
8.95	35.00	50.00	-	-	-	85.00
	-	(85.00)	-	-	-	(85.00)
9.21	200.00	-	-	-	-	200.00
	-	(200.00)	-	-	-	(200.00)
9.35	100.00	-	-	-	-	100.00
	-	(100.00)	-	-	-	(100.00)
9.55	-	-	-	-	-	-
	(100.00)	-	-	-	-	(100.00)
Total	510.00	555.00	-	272.00	-	1,337.00
	(100.00)	(685.00)	-	-	-	(785.00)

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 4:		
DEFERRED TAX LIABILITY		
Deferred tax assets:		
Provision for non performing, standard assets and contingencies	5999,65,475	4733,38,051
Provision for leave encashment	178,90,294	125,26,014
Gross deferred tax asset (A)	6178,55,769	4858,64,065
Deferred tax liabilities:		
Difference between written down value of fixed assets as per companies act and as per income tax act.,	46,76,122	73,55,253
Tax liabilities in respect of reserve created u/s 36(i)(viii) of the Income Tax Act 1961	11104,32,288	9178,38,768
Gross deferred tax liability (B)	11151,08,410	9251,94,021
Net Deferred Tax Liability (B-A)	4972,52,641	4393,29,956

NOTE 5:		
OTHER LONG TERM LIABILITIES		
Interest accrued but not due on long term borrowings	887,71,032	3446,21,220
Total	887,71,032	3446,21,220

NOTE 6:		
LONG TERM PROVISIONS:		
Provision for employee benefits		
Provision for gratuity (refer note 25.15)	33,74,899	19,54,920
Provision for compensated absences (Refer note 25.14)	346,41,104	296,69,068
	380,16,003	316,23,988
Other provisions for :		
Non-performing advances (Refer note 25.4.20 and 25.14)	15717,46,014	11010,51,893
Standard advances (Refer note 25.4.20 and 25.14)	3907,23,438	3731,24,434
Contingencies (Refer note 25.4.20 and 25.14)	261,49,820	56,03,190
Total	20266,35,275	15114,03,505

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 7:		
SHORT TERM BORROWINGS		
(a) Secured		
Loans repayable on demand		
From scheduled banks*	10365,09,850	7357,38,818
From related parties		
- Repco Bank Limited (Refer note 25.4.14)	62267,87,620	49813,18,938
(b) Un-secured		
Commercial paper*	80000,00,000	35000,00,000
Total	152632,97,470	92170,57,756

The above secured borrowings are secured by book debts / receivables of the company and an irrevocable Power of Attorney given by the Company in favour of the Banks for recovery of monies and for creation of mortgage on the properties of the loan borrowers of the Company.

* The details regarding repayment and interest is given under Annexure-A

NOTE 8:		
OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings	152056,61,946	110709,24,824
Interest accrued but not due on borrowings	12976,01,591	5069,76,585
Advance receipts	20,02,333	31,82,130
Statutory dues	158,96,809	135,81,279
Unclaimed dividend	1,35,382	46,432
Book overdraft	9770,93,797	4292,49,957
Other liabilities	924,71,144	682,80,079
Total	175908,63,002	120922,41,286

NOTE 9:		
SHORT TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	47,97,020	41,08,781
Provision for compensated absences	170,52,997	65,24,915
Others	414,00,801	420,43,352
Total	632,50,818	526,77,048
Other provisions for :		
Standard advances	325,56,619	291,05,759
Income tax (net of advance tax paid)	-	542,79,962
	325,56,619	833,85,721
Total	958,07,437	1360,62,769

NOTE 10:
PROPERTY, PLANT AND EQUIPMENT

(All amounts are in Rupees, unless otherwise stated)

Particulars	Land & Building	Furniture & Fixtures	Motor Vehicle	Computers	Office Equipment	Electrical installation and equipment	Plant and machinery	Total
Gross block								
As at April 1, 2016	223,48,662	853,46,856	126,50,515	693,52,703	130,43,958	25,72,379	67,97,147	2121,12,220
Add: Additions	-	87,17,412	18,24,193	66,17,401	54,23,114	2,42,305	-	228,24,425
Less: Disposals	-	19,39,367	8,00,504	68,300	2,76,498	1,11,829	1,73,478	33,69,976
As at March 31, 2017	223,48,662	921,24,901	136,74,204	759,01,804	181,90,574	27,02,855	66,23,669	2315,66,669
Add: Additions	473,66,943	90,75,261	37,83,734	105,90,107	45,21,318	2,94,608	-	756,31,971
Less: Disposals	-	33,35,616	6,35,195	20,99,792	20,90,647	2,64,176	-	84,25,426
As at March 31, 2018	697,15,605	978,64,546	168,22,743	843,92,119	206,21,245	27,33,287	66,23,669	2987,73,214
Depreciations / Amortisation								
As at April 1, 2016	43,48,818	723,68,451	60,49,069	492,76,688	49,23,642	10,02,979	24,75,315	1404,44,962
Add: Charge for the year	3,29,938	98,75,606	14,28,045	87,82,781	19,65,840	2,31,687	4,00,484	230,14,381
Less: Disposals	-	18,12,993	4,28,155	68,300	2,23,357	90,475	1,03,944	27,27,224
As at March 31, 2017	46,78,756	804,31,064	70,48,959	579,91,169	66,66,125	11,44,191	27,71,855	1607,32,119
Add: Charge for the year	6,50,103	76,18,361	17,11,923	91,08,826	28,11,920	2,54,666	3,95,349	225,51,148
Less: Disposals	-	32,70,876	6,03,752	18,92,201	15,23,340	1,82,079	-	74,72,248
As at March 31, 2018	53,28,859	847,78,549	81,57,130	652,07,794	79,54,705	12,16,778	31,67,204	1758,11,019
Net block								
As at March 31, 2018	643,86,746	130,85,997	86,65,613	191,84,325	126,66,540	15,16,509	34,56,465	1229,62,195
As at March 31, 2017	176,69,906	116,93,837	66,25,245	179,10,635	115,24,449	15,58,664	38,51,814	708,34,550

Land and building with a carrying amount of Rs. 12,02,168 (March 31, 2017 - Rs. 12,30,286) are subject to additional charge to secure the company's redeemable non-convertible debentures.

NOTE 11
INTANGIBLE ASSETS

(All amounts are in Rupees, unless otherwise stated)

Particulars	Total
Gross block	
As at April 1, 2016	353,54,516
Add: Additions	121,20,351
Less: Disposals	-
As at March 31, 2017	474,74,867
Add: Additions	9,145
Less: Disposals	-
As at March 31, 2018	474,84,012
Depreciations / Amortisation	
As at April 1, 2016	145,01,955
Add: Charge for the year	126,05,671
Less: Disposals	-
As at March 31, 2017	271,07,626
Add: Charge for the year	83,78,151
Less: Disposals	-
As at March 31, 2018	354,85,777
Net block	
As at March 31, 2018	119,98,235
As at March 31, 2017	203,67,241

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 12:		
NON-CURRENT INVESTMENTS:		
At Cost, Unquoted, Trade		
Investment in Associates:		
156,00,000 (March 31, 2017-156,00,000) equity shares of Rs.10/- each fully paid up in Repco Micro Finance Ltd.,	1560,00,000	1560,00,000
Share of profit / (loss) (net)	1926,23,031	1231,79,933
Total	3486,23,031	2791,79,933

NOTE 13:		
LONG TERM LOANS & ADVANCES		
A. Secured & Considered Good excepting advances classified as Non-Performing Advances		
(i) Housing loan to individuals #	802478,71,325	713394,67,209
(ii) Mortgage / other loans to individuals #	183199,66,230	180596,40,988
Total	985678,37,555	893991,08,197
Less : Current receivables of long term loans & advances		
(i) Housing loan to individuals #	(48189,20,300)	(42672,98,268)
(ii) Mortgage / other loans to individuals #	(15416,22,751)	(14383,09,688)
Amount disclosed under the head "short term loans & advances" (note 16)	(63605,43,051)	(57056,07,956)
Non - current receivables of long term loans & advances		
(i) Housing loan to individuals #	754289,51,025	670721,68,941
(ii) Mortgage / other loans to individuals #	167783,43,479	166213,31,300
Total	922072,94,504	836935,00,241
B. Capital Advances (unsecured, considered good)	24,63,350	464,15,306
C. Security Deposits (unsecured, considered good)	458,51,669	524,49,061
D. Other loans & advances (Unsecured, considered good unless otherwise stated)		
Advance tax (net of provision)	26,85,550	-
Loan to employees	224,86,664	237,13,980
Total	922807,81,737	838160,78,588

Long term housing loans, mortgage loans and other loans including current maturities of such loans granted by the Company are secured by equitable mortgage of property

NOTE 14:		
OTHER NON CURRENT ASSETS		
Deferred finance cost	207,00,641	-
Total	207,00,641	-

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 15:		
CASH AND BANK BALANCES		
A. Cash and Cash Equivalents		
(i) Balances with Banks in		
a. Current accounts	1918,69,073	1240,74,896
b. Deposit accounts	303,05,963	316,19,615
c. Unpaid dividend accounts	1,35,382	46,432
(ii) Cash on Hand	360,65,455	538,23,092
(B) Other Bank Balances		
Balances with Scheduled Banks in Deposit Accounts with original maturity of more than 3 months.	6,02,880	154,15,922
<i>(Deposits amounting to Rs.6,02,880/- (March 31, 2017-Rs.16,53,600/-) held jointly by the Company and employees towards security deposit and Rs. Nil /- (March 31, 2017 - Rs.1,36,00,000/-) provided as Cash Collateral on which lien noted towards Bank Guarantee issued to NSE by bank)</i>		
Total	2589,78,753	2249,79,957

NOTE 16:		
SHORT TERM LOANS & ADVANCES		
A. Secured & Considered Good excepting advances classified as Non-Performing Advances		
(i) Current receivables of housing loan to individuals	48189,20,300	42672,98,268
(ii) Current receivables of mortgage / other loans to individuals	15416,22,751	14383,09,688
B. Other loans & advances (Unsecured, considered good unless otherwise stated)		
(i) Advances recoverable in cash or in kind	72,91,475	75,87,136
(ii) Loan to employees	101,50,697	107,51,846
(iii) Travel advance	3,10,113	3,54,529
Total	63782,95,336	57243,01,467

NOTE 17:		
OTHER CURRENT ASSETS		
Interest due from borrowers	3965,93,178	3634,98,117
Pre- emi due from borrowers	224,70,995	201,03,390
Prepaid expenses	4,90,000	-
Interest accrued but not due on deposits	-	50,301
Rental income receivable	35,282	26,000
Deferred finance cost	973,27,488	330,62,673
Total	5169,16,943	4167,40,481

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 18:		
REVENUE FROM OPERATIONS		
Interest on loans	107698,15,634	101407,25,613
Processing fees	2323,85,491	2410,30,409
Other operating income	520,59,557	600,93,546
Total	110542,60,682	104418,49,568

NOTE 19:		
OTHER INCOME		
Interest on deposits with bank	9,87,408	15,02,193
Interest others	26,85,643	28,59,278
Dividend received on non-current investments	187,20,000	124,00,000
Rental income	3,47,100	3,12,000
Profit on sale of assets	1,84,714	-
Other income	50,000	-
Total	229,74,865	170,73,471

NOTE 20:		
EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and bonus	3872,49,800	3419,74,130
Contribution to provident and other funds (Refer 25.15)	358,23,127	308,12,619
Staff welfare	646,54,877	583,34,858
Total	4877,27,804	4311,21,607

NOTE 21:		
FINANCE COSTS		
Interest on loan from banks & financial institutions	42225,29,939	47914,77,118
Interest on refinance from national housing bank	7992,94,368	9210,31,614
Interest on non-convertible debentures	11271,24,085	5705,50,740
Interest on commercial papers	3261,29,490	1763,62,077
Other borrowing costs	84,17,847	36,69,161
Total	64834,95,729	64630,90,710

NOTE 22:		
PROVISIONS AND WRITE-OFFS		
Provision for non-performing assets	4706,94,121	4600,86,259
Contingency provisions against standard assets / others	415,96,494	533,54,112
Bad debts written off	1576,54,667	50,41,229
Total	6699,45,282	5184,81,600

(All amounts are in Rupees, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
NOTE 23:		
OTHER EXPENSES		
Advertisement & business promotion	291,43,187	273,60,075
Legal fees	449,05,822	317,44,066
Communication expenses	134,80,782	131,58,538
Professional & consultancy fee (Refer note 23.1)	235,99,844	160,39,396
Electricity expenses	104,69,188	95,02,167
Directors' sitting fee (Refer 25.4.16)	23,55,000	24,65,000
Miscellaneous expenses	179,81,583	113,59,895
Insurance expenses	13,91,317	12,09,614
Printing and stationery	56,31,171	47,37,191
Rates & taxes	80,22,824	15,20,437
Rent	741,45,045	621,93,149
Repairs & maintenance - others	64,35,437	59,24,175
Travelling & conveyance	185,53,545	144,92,021
Training expenses	21,29,362	24,15,376
Vehicle maintenance	25,34,320	26,05,930
Contributions towards CSR activities (Refer 25.19)	13,54,000	18,70,000
Donations	1,32,000	2,17,000
Loss on sale of assets	-	1,08,027
Total	2622,64,427	2089,22,057

NOTE 23.1		
REMUNERATION TO AUDITORS		
As auditor		
Statutory Audit fees including Limited review	21,50,000	22,00,000
Tax Audit fees	1,50,000	1,50,000
Certification fees	1,00,000	60,000
Total (A)	24,00,000	24,10,000
In other capacity (B)	4,91,708	8,02,060
Total (A + B)	28,91,708	32,12,060

NOTE 24:

BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2016 (as amended). The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

The Company follows the applicable guidelines and directions, including prudential norms for income recognition, asset classification and provisioning as prescribed by the National Housing Bank ("NHB").

SIGNIFICANT ACCOUNTING POLICIES

a) Use of estimates

Preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in that affect reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Revenue recognition

Repayment of housing loans is generally by way of Equated Monthly Instalments (EMIs) comprising principal and interest. EMIs commence generally once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest income on EMI/Pre-EMI cases on housing loan is accounted for on accrual basis. Loan origination income i.e. processing fees and other charges collected upfront, are recognised on

origination of the loan. Interest on nonperforming assets are accounted for on receipt basis as per the guidelines and directions issued by the NHB. Charges for delayed payments and additional interest income on delayed EMI/Pre-EMI and cheque bouncing, if any, which are accounted for on receipt basis.

Fees, charges and other revenue is recognised after the service is rendered to the extent that it is probable that the economic benefits will flow to the company and that the revenue can be reliably measured, regardless of when the payment is being made.

Profit / loss on sale of investments is recognised at the time of sale or redemption.

Dividend Income is recognised when the right to receive dividend is established.

c) Property, plant and equipment

Property, plant and equipment, capital work in progress (where relevant) are stated at cost less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The company has used the following rates to provide depreciation on its property, plant and equipment.

USEFUL LIFE OF ASSETS:

Asset Description	Estimated Useful Life by the management	Estimated Useful Life as per Schedule II
Buildings	60 years	60 years
Computer Equipment	3-6 years	3-6 years
Office Equipment	3-5 years	5 years
Furniture and fittings	5-10 years	10 years
Motor vehicles	8 years	8 years
Electrical installations and equipment	5-10 years	10 years
Plant and machinery	5-15 years	15 years

Temporary erections included in Furniture and fittings are depreciated over one year.

INTANGIBLE ASSETS / AMORTISATION:

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any, and are amortised over the lower of the estimated useful life/ licensed period on the straight-line basis or five years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year.

e) Impairment of assets

The carrying amount of Assets are reviewed at each Balance sheet date to ascertain impairment based on internal/external factors. An Impairment loss is recognized when the when the carrying amount of an asset exceeds its recoverable amount. The

recoverable amount is the higher of net selling price of assets and their value in use.

f) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

g) Provisions/write-offs on loans and other credit facilities

Loans and other credit facilities are classified as per the National Housing Bank (NHB) guidelines and directions, into performing and non-performing assets. Further non-performing assets are classified into sub-standard, doubtful and loss assets and provision made based on criteria stipulated by NHB guidelines and directions. Additional provisions are made against specific nonperforming assets over and above stated in NHB guidelines and directions, if in the opinion of the management, increased provisions are necessary.

h) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as

a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The company operates defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under this plans is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses for defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

i) **Lease Accounting**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

j) **Taxation**

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted,

at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

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 taxes relate to the same taxable entity and the same taxation authority

k) Employee share based payments

Stock options granted to the employees under the stock option scheme are evaluated as per the accounting treatment prescribed by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments. The Company follows the intrinsic value method.

l) Provisions and Contingent Liabilities

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

m) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.

n) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Ancillary costs incurred in connection with the arrangement of borrowings is amortised on a straight-line basis, over the tenure of the respective borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

o) 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 preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

p) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less

q) Operating Cycle

Assets and Liabilities are classified as Current and Non-Current based on the Operating Cycle which has been estimated to be 12 months. All assets and liabilities which are expected to be realised and settled, within a period of 12 months from the date of Balance Sheet have been classified as Current and other assets and liabilities are classified as Non-current. All Non-performing assets are classified as Non-Current.

NOTE 25

NOTES ON ACCOUNTS

Contingent Liabilities not provided for:-

- 25.1 (i) Claims against the Company not acknowledged as debts Rs. 0.21 crore (March 31, 2017- Rs.0.21 crore)
(ii) Disputed Income tax Liability Rs.7.33 crore (March 31 2017- Rs. 5.48 crore)
- 25.2 Commitment towards sanction pending disbursement including part disbursement as on March 31, 2018 - Rs.486.91 crore (March 31, 2017- Rs. 381.46 crore).
- 25.3 Pending Capital Commitments: Pending capital commitments as on March 31, 2018 is Rs.0.55 crore (March 31, 2017- Rs.0.25 crore).
- 25.4 The following disclosures have been given in terms of the National Housing Bank's notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017:

25.4.1 Capital

Items		2017-18	2016-17
i)	i) CRAR (%)	23.04	21.25
ii)	ii) CRAR – Tier I Capital (%)	23.04	21.25
iii)	iii) CRAR – Tier II Capital (%)	--	--
(iv)	(iv) Amount of Subordinated debt raised as Tier – II Capital	--	--
(v)	(v) Amount raised by issue of Perpetual Debt instruments	--	--

25.4.2 Reserve Fund U/s 29C of NHB Act, 1987

(Rs in Crore)

Particulars	2017-18	2016-17
Balance at the beginning of the year		
a) Statutory Reserve u/s 29c of the National Housing Bank Act, 1987	129.14	92.68
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	265.21	214.11
c) Total	394.35	306.79
Addition/Appropriation/Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	41.23	36.46
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	55.65	51.10
Less:	-	-
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987		
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29 C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	170.37	129.14
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	320.86	265.21
c) Total	491.23	394.35

25.4.3 Investments

(Rs in Crore)

Particulars	2017-18	2016-17
Value of Investments		
(i) Gross value of Investments	15.60	15.60
(a) In India	15.60	15.60
(b) Outside India	-	-
(ii) Provisions for Depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of Investments	-	-
(a) In India	15.60	15.60
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write off/Written back of excess provisions during the year	-	-
(iv) Closing balance	-	-

25.4.4 Derivatives –NIL

Forward rate agreement (FRA) / Interest rate swaps (IRS) – NIL

Exchange traded interest rate (IR) Derivative – NIL

Disclosure on Risk exposure in Derivatives - NA

25.4.5 Securitisation – NIL

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction – NA

Details of Assignment transactions undertaken by HFCs - NA

Details of non-performing financial assets purchased / sold - NA

25.4.6 Asset Liability Management: Maturity pattern of certain items of assets and liabilities

(Rs in Crore)

	Period	1 day to 30-31 days (one month)	Over 1 month & upto 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & to 1 year	Over 1 year & to 3 years	Over 3 years & upto 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 years	Total
Liabilities												
Deposits	2017-18	--	--	--	--	--	--	--	--	--	--	--
	2016-17	--	--	--	--	--	--	--	--	--	--	--
Borrowings from Banks (including NHB)	2017-18	811.78	10.42	52.23	320.22	542.24	1,810.79	1,334.55	716.06	367.30	34.42	6,000.01
	2016-17	674.65	12.38	86.93	303.21	501.63	1,856.54	1,398.68	962.31	534.23	94.87	6,425.43
Market Borrowings	2017-18	--	400.00	500.00	350.00	60.00	555.00	--	272.00	--	--	2,137.00
	2016-17	--	350.00	--	--	100.00	685.00	--	--	--	--	1,135.00
Foreign Currency Liabilities	2017-18	--	--	--	--	--	--	--	--	--	--	--
	2016-17	--	--	--	--	--	--	--	--	--	--	--
Assets												
Advances	2017-18	94.01	51.07	51.46	156.58	323.36	1,429.99	1,621.38	1,726.47	2,189.64	2,212.82	9,856.78
	2016-17	81.00	45.65	46.04	140.28	290.38	1,281.05	1,475.73	1,597.73	2,079.43	1,902.62	8,939.91
Investments	2017-18	--	--	--	--	--	--	--	--	--	15.60	15.60
	2016-17	--	--	--	--	--	--	--	--	--	15.60	15.60
Foreign Currency Assets	2017-18	--	--	--	--	--	--	--	--	--	--	--
	2016-17	--	--	--	--	--	--	--	--	--	--	--

25.4.7 Exposure to Real Estate Sector
(Rs in Crore)

Category		2017-18	2016-17
a)	Direct Exposure		
	(i) Residential Mortgages -		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	9,291.41	8,431.42
	(i) Out of the above Individual Housing Loans up to Rs.15.00 lakh	3,546.72	3,845.73
	(ii) Commercial Real Estate-		
	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;	565.37	508.49
	(iii) Investments in Mortgage Backed Securities (MBS) and other securities exposures -		
	a. Residential	--	--
	b. Commercial Real Estate	--	--
b)	Indirect Exposure	--	--
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	--	--

25.4.8 Exposure to Capital Market
(Rs in Crore)

Particulars		2017-18	2016-17
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	15.60	15.60
(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)	--	--
	Total Exposure to Capital Market	15.60	15.60

25.4.9 Details of financing of parent company products : NIL
25.4.10 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL):

The company has not exceeded limit prescribed by National Housing Bank for Single Borrower Limit (SGL) and Group Borrower Limit (GBL).

25.4.11 Unsecured Advances:

The Company has not financed against intangible securities such as rights, licenses, authority etc as collateral security.

25.4.12 Registration obtained from other financial sector regulators:

The Company has not obtained registration from any other financial sector regulator.

25.4.13 Disclosure of Penalties imposed by NHB and other regulators:

Based on inspection observations made by the NHB, with reference to the position as of 31-03-2016, the Company has recalculated Net Owned Fund (NOF) and Capital Adequacy Ratio (CAR) as at 31-03-2016. The reported and revised NOF/CAR as at 31-03-2016 along with impact are given below-

Particulars	As at 31-03-2016	
	Reported	Revised
Net Owned Fund (Rs in Crore)	915.95	913.25
Capital Adequacy Ratio (in %)	20.77	20.70

The difference was attributed to additional provisioning due to reclassification of advances, reversal of interest income, netting the provisions created towards standard advances and consequent assignment of risk-weights.

Pursuant to the inspection observations with reference to the financial position of the Company as at 31-03-2016, National Housing Bank levied penalty aggregating to Rs.35,000/- and GST thereon, with respect to the contraventions on (i) Income Recognition (Para-22); (ii) Assets Classification (Para-27); (iii) LTV Norms (Para-27A) (iv) Assigning wrong risk-weight resulting in incorrect CAR computation (Para-30); (v) Shortfall in Provisioning (Para-28) of the Housing Finance Companies (NHB) Directions 2010 and also (vi) disbursement of loans on the property for which the approved plan was not available (Policy Circular No.18) (vii) Guidelines on Fair Practices Code.

25.4.14 Related Party Transactions:

(a) Disclosures in terms of Accounting Standard 18 "Related Party Disclosure" (AS 18) are given below:-

List of related parties:

Repco Bank Ltd.,	Promoter
Repco Micro Finance Ltd.,	Associates

Key Management Personnel

Shri R. Varadarajan	Managing Director
Shri P. Natarajan	Executive Director (upto 31.08.2016)
Shri V. Raghu	Executive Director (upto 31.05.2017)
Shri K. Ashok	Executive Director (upto 31.10.2017)
Shri T. Karunakaran	Chief Financial Officer
Shri K. Prabhu	Company Secretary and Compliance Officer

The Company's related party balances and transactions are summarized as follows:

Remuneration paid to Key Management Personnel:

(Rs. in Crore)

Name of Key Management Personnel	Remuneration Paid	
	Salary including performance incentive and other perquisites (Rs.) #	
	March 31, 2018	March 31, 2017
Mr. R. Varadarajan	0.62	0.57
Mr. P. Natarajan	Nil	0.25
Mr. V. Raghu	0.12	0.37
Mr. K. Ashok	0.34	0.30
Mr. T. Karunakaran	0.23	0.22
Mr. K. Prabhu	0.19	0.17

The above remuneration excludes contribution to Gratuity fund and provision for leave liability as they are determined on an actuarial basis for the company as a whole.

(Rs. in Crore)

Nature of Transaction	March 31, 2018	March 31, 2017
Equity Share Capital (Paid-up outstanding)		
Key Management Personnel	0.07	0.07
Repco Bank Ltd.,	23.23	23.23
Repco Micro Finance Ltd.,	---	---
Dividend Received on Investments		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	1.87	1.24
Working Capital Loan Outstanding		
Key Management Personnel	---	---
Repco Bank Ltd.,	622.68	498.13
Repco Micro Finance Ltd.,	---	---
Loans advanced during the year		
Key Management Personnel	0.02	0.11
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Loan repaid During the Year		
Key Management Personnel	0.07	0.62
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Loans Outstanding as at the end of the year		
Key Management Personnel	0.53	0.60
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Interest received on Loans given		
Key Management Personnel	0.05	0.07
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	---
Rent paid		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.43	0.33
Repco Micro Finance Ltd.,	---	---

(Rs. in Crore)

Nature of Transaction	March 31,2018	March 31,2017
Rent received		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.03	0.03
Repco Micro Finance Ltd.,	---	---
Interest paid on Borrowings		
Key Management Personnel	---	---
Repco Bank Ltd.,	43.24	45.55
Repco Micro Finance Ltd.,	---	---
Interest earned on deposits		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.07	0.06
Repco Micro Finance Ltd.,	---	---
Investments made during the year		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	---	3.20
Investments outstanding as at the end of the year		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	15.60	15.60
Reimbursement – administrative expenses		
Key Management Personnel	---	---
Repco Bank Ltd.,	0.05	0.06
Repco Micro Finance Ltd.,	---	---
Sitting fees received during the year		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	---
Repco Micro Finance Ltd.,	0.01	---
Balances in Deposits Account		
Key Management Personnel	---	---
Repco Bank Ltd.,	3.03	3.16
Repco Micro Finance Ltd.,	---	---
Salary of deputed staff		
Key Management Personnel	---	---
Repco Bank Ltd.,	---	0.01
Repco Micro Finance Ltd.,	---	---

The transactions with related parties were carried out in ordinary course of business and were at arm's length price.

25.4.15 Rating assigned by credit Rating Agencies and migration of rating during the year:
α. Rating assigned by credit rating agencies as follows:-

Instrument	ICRA	CARE
NCD	AA-	AA
Term Loans	AA-	AA
Commercial Papers	A1 +	A1 +

b. Migration of rating during the year : - NIL-
25.4.16 Remuneration of Non-executive Directors:-

The transactions of the non-executive directors vis-à-vis the Company is as below.

Name of the director	Nature of transaction	Amount
Mr. T.S. Krishnamurthy	Payment of sitting fees	2,80,000
Mr. K. Sridhar	Payment of sitting fees	3,25,000
Mr. L. Munishwar Ganesan	Payment of sitting fees	1,50,000
Mr. V. Nadanasabapathy	Payment of sitting fees	6,50,000
Mr. G.R. Sundaravadivel	Payment of sitting fees	6,25,000
Mr. Thomas Paul Diamond	Payment of sitting fees	3,25,000

25.4.17 Net Profit or Loss for the period, prior period items and changes in accounting policies:

During the year (a) no prior period items occurred which has impact on Statement of Profit and loss, (b) no change in Accounting policy, there were no circumstances (other than income recognition on Non performing advances) in which revenue recognition has been postponed pending resolution of significant uncertainty and there is no withdrawal from reserve fund.

25.4.18 Revenue Recognition

There are no circumstances in which revenue recognition has been postponed by the Company pending the resolution of significant uncertainties.

25.4.19 Consolidated Financial Statements (CFS)

RHFL has no subsidiary Company, hence requirement of CFS involving subsidiary Company is not applicable. However associate's financials is consolidated and reported.

Additional Disclosures:
25.4.20 Provisions and Contingencies

(Rs in Crores)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		2017-18	2016-17
1.	Provisions for depreciation on Investment	--	--
2.	Provision made towards Income tax	102.38	94.00
3.	Provision towards NPA	47.07	46.01
4.	Provision for Standard Assets		
	Housing loans to individuals	1.71	3.73
	Mortgage / other loans	(0.21)	0.52
	Commercial loan	0.61	1.00
5.	Other Provision and Contingencies	2.05	0.09

(Rs in Crores)

Break up of Loan & Advances and Provisions thereon (Excluding personal loans / advances extended to employees)	Housing		Non-Housing	
	2017-18	2016-17	2017-18	2016-17
Standard Assets				
a) Total Outstanding Amount	7,869.04	6,996.88	1,747.00	1,748.54
b) Provisions made	32.35	30.58	9.98	9.64
Sub-Standard Assets				
a) Total Outstanding Amount	105.41	106.88	53.16	46.54
b) Provisions made	26.23	21.38	25.80	9.31
c) Provision required	21.08	16.03	10.63	6.98
Doubtful Assets – Category - I				
a) Total Outstanding Amount	63.09	28.23	22.53	18.50
b) Provisions made	48.78	28.23	17.90	18.50
c) Provision required	15.77	7.06	5.63	4.63
Doubtful Assets – Category - II				
a) Total Outstanding Amount	24.74	13.23	13.72	3.81
b) Provisions made	24.74	13.23	13.72	3.81
c) Provision required	9.89	5.29	5.49	1.53
Doubtful Assets – Category - III				
a) Total Outstanding Amount	--	13.19	--	2.46
b) Total Outstanding Amount	--	13.19	--	2.46
c) Total Outstanding Amount	--	13.19	--	2.46
Loss Assets				
a) Total Outstanding Amount	--	--	--	--
b) Provisions made	--	--	--	--
Total				
a) Total Outstanding Amount	8,062.28	7,158.41	1,836.41	1,819.85
b) Provisions made	132.10	106.61	67.40	43.72

Note:

1. The Company's policy is to provide provisions towards NPA as per NHB guidelines. However by way of prudence and abundant caution, Company has provided additional provision over and above the NHB guidelines and has maintained cumulative NPA provision of Rs.157.17 crores (March 31, 2017 - Rs. 110.11 crores).
2. The total outstanding amount mean principal + accrued interest + other charges pertaining to loans.
3. The Category of Doubtful Assets will be as under:

Period for which the assets has been considered as doubtful	Category
Up to one year	Category - I
One to three years	Category - II
More than three years	Category - III

25.4.21 Draw Down from Reserves

Not applicable since the company has not drawn down any amount from reserves in the current year as well as previous year.

Concentration of Public Deposits, Advances, Exposures and NPAs.

25.4.22 Concentration of Public Deposits (for Public Deposit taking/holding HFCs):

Not applicable, since the company has not accepted any deposits from the public.

25.4.23 Concentration of Loan & Advances (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Loans & Advances to twenty largest borrowers	111.28	145.49
Percentage of Loans & Advances to twenty largest borrowers to total advances of the HFC	1.13	1.63

25.4.24 Concentration of all exposure (including off-balance sheet exposure) (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Total exposure to twenty largest borrowers/customers	111.28	145.49
Percentage of Loans & Advances to twenty largest borrowers / customers to total exposure of the HFC on borrowers/customers	1.13	1.63

25.4.25 Concentration of NPAs (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Exposure to top ten NPA accounts	31.95	25.41

25.4.26 Sector-wise NPA

Sector		Percentage of NPAs to total advances in that sector	
		As at March 31, 2018	As at March 31, 2017
A.	Housing Loans :		
1.	Individuals	2.41%	2.26%
2.	Builders / Project Loans		
3.	Corporates		
4.	Others (specify)		
B.	Non-Housing Loans:		
1.	Individuals	4.90%	3.95%
2.	Builders/Project Loans		
3.	Corporates		
4.	Others (specify)		

25.4.27 Movement of NPAs (Rs in Crores)

Particulars	As at March 31, 2018	As at March 31, 2017
(I) Net NPAs to Net Advances (%)	1.29%	1.39%
(II) Movement of NPAs (Gross)		
a) Opening Balance	232.84	100.87
b) Additions during the year	148.02	156.32
c) Reductions during the year	98.22	24.35
d) Closing Balances	282.64	232.84
(III) Movement of Net NPAs		
a) Opening Balance	122.73	36.77
b) Additions during the year	99.40	96.75
c) Reductions during the year	96.66	10.79
d) Closing Balances	125.47	122.73

25.4.28 Overseas Assets : The company does not have any overseas assets.

25.4.29 Off-balance sheet SPVs sponsord (which are required to be consolidated as per accounting norms):

The company does not have any off balance sheet Special Purpose Vehicle (SPV) which requires to be consolidated as per accounting norms.

Disclosure of Compliants (As certified by the management)

25.4.30 Customers Compliants

Particulars	As at March 31, 2018	As at March 31, 2017
a) No. of complaints pending at the beginning of the year	Nil	Nil
b) No. of complaints received during the year	33	20
c) No. of complaints redressed during the year	31	20
d) No. of complaints pending at the end of the year	2	Nil

25.5 Deferred Tax:

The components of deferred tax assets and deferred tax Liabilities as on 31-03-2018 and as at 31-03-2017 are as under:

Deferred Tax Assets: (Rs in crore)

	As at March 31, 2018	As at March 31, 2017
DTA on Provision for Non Performing Advances , Standard Assets and Contingencies	60.00	47.34
Employee Benefits	1.79	1.25
Total (A)	61.79	48.59

Deferred Tax Liabilities: (Rs in crore)

	As at March 31, 2018	As at March 31, 2017
Difference between written down value of Fixed Assets as per Companies Act and as per Income Tax Act.,	0.47	0.74
Tax Liabilities in respect of reserve created U/s 36(i)(viii) of the Income Tax 1961	111.04	91.78
Total (B)	111.51	92.52
Net Deferred Tax (Asset) / Liability (B-A)	49.72	43.93

25.6 In the opinion of the Board, all Assets other than Fixed Assets and Non current Investments have a realizable value in the Ordinary course of business which is not different from the amount at which it is stated with the exception of Non performing advances for which requisite provision has been made in accordance with the NHB Guidelines.

25.7 There are no Micro, Small and Medium Enterprises (MSME) to whom the Company owes dues, which are outstanding for more than 45 days as at 31-03-2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis at information available with the Company.

25.8 Expenditure incurred in foreign currency: Towards Travelling Expenses - Rs.0.004 crore (March 31, 2017 -Rs.0.04 crore) and Towards Other borrowing costs - Rs.2.82 crore (March 31, 2017 - Nil) . There are no Earnings in foreign currency during the current year as well as in the previous year.

25.9 There are no amounts to be reflected under payable to Investor Protection Fund.

25.10 In accordance with the Accounting Standard on 'Leases' (AS 19), the following disclosure in respect of operating leases are made:

The Company has taken retail office premises under operating lease/ leave and license agreements for a period ranging upto 120 months. These are generally cancellable and have no specific obligation for renewal. The total

lease payments for current year amounts to Rs.7.41 crores (March 31, 2017 - Rs.6.22 crores) which is recognised in the Statement of Profit and Loss under 'Rent Expenses' under note 23.

Segment reporting-

25.11 The main business of the Company is to provide long term loan financing for acquisition / construction of Residential purposes in India. Accordingly, there is no separate reportable segment as per Accounting Standard - AS-17 "Segment Reporting", as the company has only one Geographical and Business segment.

25.12. Earnings per share (Basic and Diluted)

	2017-18	2016-17
(a) Profit for the year after Tax (Rs in crores)	215.31	187.66
(b) Weighted average number of Equity Shares outstanding during the year for Basic Earnings Per Share	625,61,362	625,54,246
(c) Weighted average number of Equity Shares outstanding during the year for Diluted Earnings Per Share	625,61,362	625,54,246
(d) Basic Earnings per Share (in Rs.)	34.42	30.00
(e) Diluted Earnings Per Share (in Rs.)	34.42	30.00
(f) Nominal Value per Equity Share	10	10

25.13 Particulars of dividend paid to Non-resident shareholders:

Year in which dividend paid	2017-18	2016-17
No of Shareholders	1873	830
No of Shares held	150,37,916	177,24,151
Year for Which Dividend is Paid	2016-2017	2015-2016
Gross amount of Dividend (Rupees in Crores)	3.01	3.19

25.14 Details of movement in Provisions in accordance with the Accounting Standard -29 (Rs in crore)

Particulars of Provision for	Opening Balance as on April 1, 2017	Provision made during the year	Provisions reversed/	Closing balance as on March 31, 2018
Non performing advances	110.11	97.18	50.12	157.17
Contingent Provisions on Standard Assets	40.22	2.11	-	42.33
Provision for other contingencies	0.56	2.05	-	2.61
Compensated Absences	3.62	2.50	0.95	5.17

25.15. EMPLOYEE BENEFITS

i. Defined Contribution Plan:

Company Contribution to

i. Provident fund : Rs. 2.77 Crores (March 31, 2017 - Rs. 2.53 Crores)

ii. Defined Benefit Plan: Gratuity

A. Reconciliation of opening and closing balance of present value of the defined benefit obligation

(Rs. in crores)

	2017-18	2016-17
Present value of obligations as at beginning of year	4.78	4.08
Increase in present value of obligation on account of change in actuarial assumptions	-	-
Interest Cost	0.35	0.37
Current Service Cost	1.13	1.33
Benefits Paid	(0.41)	(0.08)
Actuarial loss/(gain) on obligation	(0.38)	(0.93)
Present value obligations as at end of year.	5.47	4.78

B. Reconciliation of opening and closing balances of fair value of Plan Assets (Rs. in crores)

	2017-18	2016-17
Fund Maintained by LIC		
Fair value of plan assets as at beginning of year	4.18	2.48
Expected return on plan assets	0.34	0.26
Contributions	0.61	1.52
Benefits paid	(0.41)	(0.08)
Actuarial gain on plan assets	(0.07)	(0.01)
Fair value of plan assets at the end of year	4.65	4.18

C. Reconciliation of Present value of defined benefit obligation and fair value of plan assets to the assets and liabilities (Rs. in crores)

	2017-18	2016-17
Present value of obligations as at the end of the year	(5.47)	(4.78)
Fair value of plan assets at the end of the year	4.65	4.18
Net asset/(liability) recognized in the Balance sheet	(0.82)	(0.61)

D. Expenses recognized in statement of Profit and loss (Rs. in crores)

	2017-18	2016-17
Current Service Cost	1.13	1.33
Interest Cost	0.35	0.37
Increase in present value of obligation on account of change in actuarial assumptions	-	-
Expected return on plan assets	(0.34)	(0.26)
Net actuarial (Gain)/Loss recognized in the year	(0.32)	(0.92)
Expenses recognized in Statement of Profit and Loss	0.82	0.53

E. Details showing fair value of plan assets (Rs. in crores)

	2017-18	2016-17
Fair value of plan assets at beginning of year	4.18	2.48
Actual return on plan assets	0.27	0.25
Contributions	0.61	1.52
Benefits paid	(0.41)	(0.08)
Fair value of plan assets at the end of year	4.65	4.18

F. Actuarial assumption (Rs. in crores)

	2017-18	2016-17
Discount Rate	7.60%	7.10%
Rate of increase in Compensation levels	7.00%	7.00%
Mortality rates	10%	10%

The actuarial valuation of obligations towards compensated absences, as per actuarial certificate as on March 31, 2018 is Rs.5.17 crores (PY - Rs.3.62 crores) and the same is recognized in the books of the company.

The following table sets out the funded status of the gratuity plan and the amounts recognised in the Financial statement-

(Rs in Crores)

Net asset / liability recognised in the balance sheet	Present value of defined benefit obligation	Fair value of plan assets	(Deficit)/ Surplus	Experience adjustments on plan liabilities	Experience adjustments on plan assets
March 31, 2018	5.47	4.65	(0.82)	0.38	(0.07)
March 31, 2017	4.78	4.18	(0.61)	0.93	(0.01)
March 31, 2016	4.08	2.48	(1.60)	0.24	0.01
March 31, 2015	1.38	1.72	0.34	(0.27)	-
March 31, 2014	0.89	0.92	0.03	-	-

25.16. Amount of Dividend proposed to be distributed to the Equity Shares holders for the year ended 31/03/2018

(Rs in Crores)

Particulars	2017-18	2016-17
Dividend %	22%	20%
Dividend amount/Share	2.20	2
Total Amount of dividend Proposed to be distributed	13.76	12.51

25.17. Maturity profile of secured and un-secured borrowings is set out below.

(Rs in Crores)

Particulars	Year	Up to 1 Year	Over 1 year to 3 Years	Over 3 years to 5 Years	Over 5 year to 10 Years	Over 10 Years	Total
Secured Loans from Banks & FIs	2017-18	1,558.88	1,580.69	1,151.63	766.50	--	5,057.70
	2016-17	1,351.02	1,551.20	1,198.54	1,117.26	37.32	5,255.34
Term Loans from National Housing Bank (NHB)	2017-18	178.01	230.10	182.92	316.86	34.42	942.31
	2016-17	227.79	305.34	200.15	379.28	57.55	1,170.11
Non Convertible Debenture	2017-18	510.00	555.00	--	272.00	--	1,337.00
	2016-17	100.00	685.00	--	--	--	785.00
Commercial Paper	2017-18	800.00	--	--	--	--	800.00
	2016-17	350.00	--	--	--	--	350.00
Total	2017-18	3,046.89	2,365.79	1,334.55	1,355.36	34.42	8,137.01
	2016-17	2,028.81	2,541.54	1,398.69	1,496.54	94.87	7,560.45

25.18. Employee Stock Option Scheme-2013 (ESOP-2013):

During the year 2013-14 the Company instituted Employee Stock Option Scheme 2013 (ESOP-2013). The Board of Directors and the share holders approved the scheme during the year 2013-14. As on 31-03-2016 the company has following Employee stock options schemes, the features of the same are as follows:

Scheme	ESOP 2013 Tranche I	ESOP 2013 Tranche II
Date of Grant	25th October 2013	26th October 2014
No of Options granted	244375	211745
Exercise Price	Rs. 75/-per share	Rs. 75/-per share
Date of Vesting	One year from the date of grant	One year from the date of grant
Exercise period	Within one year from the date of vesting	Within one year from the date of vesting
Lock In Period	One year from the date of allotment	One year from the date of allotment

The Company has adopted the intrinsic value method in accounting for employee cost on account of ESOP. Based on such valuation, the difference between the Market price on the date of grant and exercise price is accounted as Deferred Employee compensation cost and the same is amortized over the vesting period. Accordingly sums aggregating to Rs. Nil/- (March 31, 2017- Rs. 4,81,66,267/-) is recognized as expenses on employee stock option scheme.

Summary of Employee Stock Options:

Particulars	Tranche-I	Tranche-II
Options outstanding as at the beginning of the year	NIL	43,555
Options granted during the year	NIL	NIL
Options not vested at the start of the year	NIL	NIL
Options lapsed/Forfeited during the year	NIL	23,630
Options exercised during the year	NIL	19,925
Options vested but not exercised at the end of the year	NIL	NIL
Options not vested at the end of the year	NIL	NIL
Weighted average exercise price per option	Rs. 75	Rs. 75

The Black-Scholes Model have been used to derive the estimated value of the stock option granted, if the fair value method to account for the employee share based payment plans were to be used. The estimated value of each stock options and the parameters used for deriving the estimated value of stock option granted under the Black-scholes Model is as follows:

Particulars		ESOS-2013 (Tranche-I)	ESOS-2013 (Tranche-II)
		Vesting on 25th October 2014	Vesting on 26th October 2015
Estimated value of Stock Options	(Rs.)	215.95	417.65
Share Price at grant Date	(Rs.)	285.7	488
Exercise Price at Grant Date	(Rs.)	75	75
Expected Volatility	(%)	29.86	30.92
Dividend Yield Rate	(%)	1.2	1.2
Expected Life of Options	(in years)	0.58	1
Risk Free Rate of Interest	(%)	8.89	8.6

Had the compensation cost for the stock options granted under ESOS-2013 (Tranche- I) and ESOS – 2013 (Tranche – II) been determined on fair value approach, the company's profit after tax and earnings per share would have been as per pro-forma amount indicate below:

(Rs. In crores)

Particulars	2017-2018	2016-2017
Profit after tax As reported	NA	182.25
Profit Considered for computing EPS (pro-forma)	NA	NA
Earnings per Share – Basic		
As Reported (Rs.)	NA	29.13
pro-forma (Rs.)	NA	NA
Earnings Per Share – Diluted		
As Reported (Rs.)	NA	29.13
pro-forma (Rs.)	NA	NA

25.19 Expenditure towards Corporate Social responsibility:

The gross amount required to be spent by the company during the year 2017-18 as CSR expenditure under section 135 of the Companies Act of 2013 is Rs.4.53 Crores/-(March 31, 2017-Rs. 3.73 Crores) . The amount is required to be spent on activities qualifying as CSR expenditure as per schedule VII of the Companies Act 2013.

During the financial year 2017-18 the company has spent sums aggregating to Rs.0.14 crore (Rs.0.19 crore) towards CSR activities. The details of disclosure as per the Guidance issued by the Institute of Chartered Accountants of India is as follows:-

(a) Gross amount required to be spent by the Company during the year Rs. 4.53 Crores/-

(b) Amount spent during the year:- (Rs. in Crores)

Particulars	2017-18	2016-17
(i) Construction or acquisition of any asset	-	-
(ii) On purposes other than (i)	0.14	0.19
Total	0.14	0.19

25.20 The figures of the previous year have been audited by a firm of chartered accountants other than S.R. Batliboi & Associates LLP. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / presentation.

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004
Partner
per Aniruddh Sankaran
Membership No. 211107
Place: Chennai
Date : May 23, 2018

T Karunakaran
Chief Financial Officer

K Prabhu
Company Secretary

R. Varadarajan
Managing Director

T.S. KrishnaMurthy
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REPCO HOME FINANCE LIMITED

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Repco Home Finance Limited (hereinafter referred to as "the Holding Company"), and its associate, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014. The Board of Directors of the Holding Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of

preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the associate company, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Holding Company and its associate as at March 31, 2018, their consolidated profit, and their consolidated cash flows for the year ended on that date.

OTHER MATTER

The consolidated financial statements also include the Company's share of net profit of Rs.920.66 lakhs for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of one associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the report of such other auditors. Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the associate as noted in the Other Matter paragraph above, we report, to the extent applicable, that:

- (a) We / the other auditor whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books, and reports of the other auditor;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor who are appointed under Section 139 of the Act, of its associate company incorporated in India, none of the directors of the Holding Company and its associate incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its associate company incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate – Refer Note XX to the consolidated financial statements;
- ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the

Holding Company and its associate company incorporated in India during the year ended March 31, 2018.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aniruddh Sankaran

Partner

Membership Number: 211107

Place of Signature: Chennai

Date: May 23, 2018

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF REPCO HOME 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")

In conjunction with our audit of the consolidated financial statements of Repco Home Finance Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Repco Home Finance Limited (hereinafter referred to as the "Holding Company") and, its associate company, which is a company incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Holding Company, its associate company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities

include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

OPINION

In our opinion, the Holding Company, its associate company, which is incorporated in India, have, maintained 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, 2018, based on the internal control over financial reporting criteria established by the Holding 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.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to the associate company, which is incorporated in India, is based on the corresponding reports of the auditors of such associate company incorporated in India.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Aniruddh Sankaran

Partner

Membership Number: 211107

Place of Signature: Chennai

Date: May 23, 2018

REPCO HOME FINANCE LIMITED

CIN- L65922TN2000PLC044655

Registered Office: Repco Tower, No. 33, North Usman Road, T. Nagar, Chennai 600 017

Corporate office: Third Floor, Alexander Square, Old No. 34 & 35, New No. 2,
Sardar Patel Road, Guindy, Chennai – 600032

Ph: (044) - 42106650 Fax: (044) – 42106651; E-mail: cs@repcohome.com

Website: www.repcohome.com

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 18th Annual General Meeting of the members of Repco Home Finance Limited will be held on September 25, 2018 at 11.00 A.M, at Bharatiya Vidya Bhavan (Bhavan's Dr. Preetha Reddy Auditorium - Main Hall) 18, 20, East Mada Street, Mylapore, Chennai 600 004, to transact the following business:

ORDINARY BUSINESS

1. Adoption of accounts

To receive, consider and adopt:

(a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and Statutory Auditors thereon.

(b) The Audited Consolidated Financial Statements for the Financial Year ended March 31, 2018, together with the Report of Statutory Auditors thereon.

2. Declaration of dividend

To declare dividend on equity shares of the company for the financial year ended March 31, 2018.

3. Re-appointment of Smt. R.S. Isabella

To appoint a Director in place of Smt. R.S. Isabella, (DIN 06871120), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

4. Appointment of Shri. Dinesh Ponraj Oliver, I.A.S as a Director liable to retire by rotation:

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

RESOLVED THAT Shri. Dinesh Ponraj Oliver, I.A.S (DIN 05297355) who was appointed as an Additional Director of the Company on 13 November 2017 pursuant to Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this annual general meeting and in respect of whom a notice has been received by a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby appointed as Director liable to retire by rotation."

5. Appointment of Shri. K. Sridhar as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, consent of the members be and is hereby given to the appointment of Shri.K. Sridhar, (DIN 02758646), appointed as Additional Director with effect from September 21, 2017 and holds office upto the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and being qualified for appointment as Independent Director and in respect of whom the

Company has received a notice in writing from a member proposing his candidature for the office of Independent Director to hold office for five consecutive years for a term from September 21, 2017 up to September 20, 2022."

6. Offer or invite subscription for Non-Convertible Debentures (NCD) and Commercial Paper (CP) aggregating to Rs. 4000 Crore and Rs.1000 Crore respectively on private placement.

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

"RESOLVED that subject to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Issue and Listing of Debt Securities) Rules, 2008, Directions/ Guidelines issued by the National Housing Bank/Regulators or any other statutory authorities from time to time, including any amendment, modification, variation or re-enactment thereof, the approval of the Members of the Company is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) and the Board is authorized to offer or invite/issue subscription for Redeemable Non-Convertible Debentures (NCDs) upto an amount of Rs.4000 crore and Commercial Paper upto an amount of Rs.1000 crore only, on private placement basis, in one or more tranches, during the period of one year commencing from the date of this meeting until the conclusion of the next Annual General Meeting."

"RESOLVED FURTHER that the Board of Directors of the Company are hereby authorised to take

decision(s) about the timing of the issue(s) of such securities including the above said Non-Convertible Debentures, number of tranche(s), number of securities to be issued under each such tranche, tenure, coupon rate(s), pricing of the issue, date(s) of opening and closing of the offers/invitations for subscription of such securities, securities for the issue, if any, deemed date(s) of allotment, exercise 'PUT' and 'CALL' option, redemption and all other terms and conditions relating to the issue of the said securities on private placement basis or delegate the above powers to committee(s) of the Board or such other Committee(s) duly constituted for the purpose."

"RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary in relation thereto."

"RESOLVED FURTHER that these borrowings will be within the overall borrowing limit of Rs 15000 Crores as approved by the members vide postal ballot dated December 26, 2015 and also subject to the NHB prescribed ceiling of borrowings as prescribed in the Directions /Guidelines of National Housing Bank."

"RESOLVED FURTHER that the Board is hereby authorised to delegate all or any of the powers herein conferred to any director(s)/Committees and/or officers(s) of the Company, to give effect to the resolution(s)."

By the order of the Board

Place: Chennai
Date: 13 August 2018

K. Prabhu
Company Secretary

NOTE:-

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote instead of him/her. Such a proxy/ proxies need not be a member of the company.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business set out in the notice wherever applicable, is attached herewith.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013, and Regulations 42, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from September 19, 2018 to September 25, 2018 (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.
4. Subject to provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board, if declared at the meeting, will be dispatched/remitted on or before October 25, 2018 (30 days of AGM Date)
5. Members are requested to encash their dividend warrants as Dividend remaining unclaimed for seven years are required to be transferred to the Investor Education and Protection Fund, established by the Central Government under Section 124(6) of the Companies Act 2013. Once unclaimed dividends are transferred to this fund, members will not be entitled to claim these dividends from the company.
6. Member who have not received or encashed their dividend warrants for the financial years 2012-

13, 2013-14 , 2014-15 , 2015-16 and 2016-17 are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrants.

7. Members holding shares in physical form are requested to notify in writing any changes in their address/bank account details to the Secretarial Department of the Company at Repco Home Finance Ltd, Third Floor, Alexander Square, Old No.34 & 35, New No.2, Sardar Patel Road, Guindy, Chennai – 600032 or to the Registrar & Transfer Agent. Members holding shares in electronic form are requested to notify the changes in the above particulars directly to their Depository Participants (DP).
8. In accordance with the provisions of Section 101 of the Companies Act 2013, Rule 18 of the Companies (Management and Administration) Rules, 2014 and Regulation 36 of SEBI (LODR) Regulations, 2015, this notice and the Annual Report of the Company are being sent to those members whose email address are available with the Company (in respect of shares held in electronic form) and made available to the Company by the Depositories.

The Company requests those members who have not registered their email address, to register the same with their DP in case shares are held in electric form and to the Company in case shares are held in physical form

Members who register their names with the Company or the Registrar and Share Transfer Agent would receive their notice(s)/document(s) through email instead of physical copy.
9. The annual report of the Company circulated to the members of the Company, and is also available on the Company's website at www.repcohome.com.
10. Members desirous of getting any information about the accounts of the Company are requested to write to the Company at least seven days before the date of the Meeting to enable the Company to keep the information ready at the Meeting.

11. All the documents referred to in the Notice and Explanatory Statement will be available for inspection by the Members at the Registered/

Corporate Office of the Company between 10.30 a.m. and 12.30 p.m. on all working days from the date hereof upto the date of the Meeting.

12. For security reasons and for proper conduct of AGM, entry to the place of AGM will be regulated by the Attendance slip, which is annexed to this notice. The Members/proxies are requested to bring their attendance slip duly completed and hand it over at the entrance of the venue. The route map to the AGM venue is also annexed to this notice.

13. E-Voting

- a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- b) The facility for voting through ballot paper shall be made available at the Annual General Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through ballot paper.
- c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d) The Company has engaged the services of M/s. Central Depository Services (India) Limited ("CDSL") as the Agency to provide e-voting facility.
- e) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 18, 2018
- f) The Company has appointed Shri. G. Ramachandran of M/s. G Ramachandran &

Associates, Company Secretaries (Membership No - FCS No.9687) as Scrutinizer to scrutinize the voting at AGM and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

- g) The remote e-voting facility will be available during the following period:
 - Commencement of remote e-voting: From 9.00 a.m. (IST) on September 22, 2018
 - End of remote e-voting: Up to 5.00 p.m. (IST) on September 24, 2018
 - The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting Module shall be disabled by CDSL upon expiry of aforesaid period.
- h) The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on September 22, 2018 at 9.00 a.m and ends on September 24, 2018 at 5 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 18 ,2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to the Scrutinizer through e-mail gr@gramscsfirm.com with a copy marked to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login

and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

- The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.repcohome.com. The results shall simultaneously be communicated to National Stock Exchange of India Limited and BSE Limited.

INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 IN RESPECT OF DIRECTOR BEING APPOINTED/RE-APPOINTED:

(i) Smt. R.S. Isabella (DIN 06871120)

Smt. R.S. Isabella is a Non-Executive & Non Independent Director of our Company and is currently the Executive Director officiating as Managing Director in Charge of Repco Bank in addition to being the Managing Director-Repco Micro Finance Limited. She holds a Bachelors' Degree in Commerce and a Masters' Degree in Bank Management (MBM) and a Masters' Degree in Business Administration (MBA). She is also a Certified Associate of Indian Institute of Bankers. She has a rich experience in banking for more than 2 decades. She has been on the Board since 8 November 2016.

Disclosure of relationships between Directors inter-se: Nil

Other Directorships:

- Repco Bank (Multi State Co-operative Society)
- Repco Micro Finance Limited
- Repco Foundation for Micro Credit

Shareholding in the Company: 10

Remuneration : Nil

(ii) Shri. Dinesh Ponraj Oliver, I.A.S (DIN 05297355)

Shri. Dinesh Ponraj Oliver, I.A.S is a Non-Executive & Non Independent Director of our Company. He is currently the Director of Rehabilitation, Government of Tamil Nadu. He has 14 years of service in the field of public administration. He has been on the Board since 13 November 2017.

Disclosure of relationships between Directors inter-se: NIL

Other Directorships:

- Tamilnadu Textile Corporation Limited
- Arasu Rubber Corporation Limited
- Repco Bank (Multi State Co-operative Society)

Shareholding in the Company: NIL

Remuneration: NIL

(iii) Shri. K. Sridhar (DIN- 02758646)

Shri. K. Sridhar is a Non-Executive and Independent Director of our Company. He has about 38 years experience in the Insurance Industry. He has held the positions of Insurance Ombudsman and Managing Director of LIC of India from December 2004 to January 2006. He has also held the position of Director/CVO of General Insurance Corporation and New India Assurance Company Limited respectively. He has been a Director on the Board of our Company since September 21, 2017.

Disclosure of relationships between Directors inter-se: NIL

Shareholding in the Company: NIL

Remuneration: Sitting fees for Board/Committee Meetings-Rs.25,000 per meeting

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013:

Item No.4

The Board of Directors of the Company had appointed Shri. Dinesh Ponraj Oliver, I.A.S as an Additional Director of the Company with effect from 13 November 2017. In accordance with the provisions of Section 161 of the Companies Act, 2013. Shri. Dinesh Ponraj Oliver, I.A.S shall hold office up to the date of the forthcoming

annual general meeting and is eligible to be appointed as a Director.

Your Directors recommend the passing of the resolution proposed at Item No.4 of the Notice.

None of the Directors other than Shri. Dinesh Ponraj Oliver or any key managerial personnel or the relatives of the directors or key managerial personnel are in any way concerned or interested, financially or otherwise, in the said resolution.

Item No.5

The Board of Directors of the Company had appointed Shri. K. Sridhar, as an Additional Director of the Company with effect from 21 September 2017. In accordance with the provisions of Section 161 of the Companies Act, 2013. Shri. K. Sridhar shall hold office up to the date of the forthcoming annual general meeting and is eligible to be appointed as a Director.

Your Directors recommend the passing of the resolution proposed at Item No.5 of the Notice.

None of the Directors other than Shri. K. Sridhar or any key managerial personnel or the relatives of the directors or key managerial personnel are in any way concerned or interested, financially or otherwise, in the said resolution.

Item No.6

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, a Company may, subject to the provisions of that section, make an offer or invitation for subscription of securities including non-convertible debentures, commercial papers or any other debt securities by way of private placement.

Further, in terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the shareholders of the Company by a Special Resolution, for each of the offers or invitations. In case of an offer or invitation for subscription to the Non-Convertible Debentures (NCD), it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year.

Keeping in view the increasing volume of business of the Company, the need to diversify the sources of funding and the cost of each of the sources and subject to the provisions of Section 42 of Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, your Company intends to offer or invite subscription to Non-convertible Debentures upto an amount of Rs 4000 Crore (Rupees Four thousand Crore only) and Commercial paper upto an amount of Rs 1000 Crore (Rupees Thousand Crore only) on private placement basis for a period of one year from the conclusion of this Meeting until the conclusion of the next Annual General Meeting in one or more tranches, subject to the condition that the amount accepted in the form of the said Non-Convertible Debentures and Commercial paper together with the existing borrowings and future borrowings would be within the limits specified by the members under section 180(1) (c) of "the Act".

The terms of issue of the above Non-Convertible Debentures would depend upon the requirement of the funds, time of issue, market conditions and alternative sources of funds available to the Company and would be decided by the company in consultation with the merchant bankers / arrangers, if any appointed by the Company for the purpose. All the required details/disclosures relating to the issue would be made available in the respective information memorandum.

In order to issue Non-Convertible Debentures by way of an offer or invitation for subscription on private placement and in terms of the above mentioned provisions of "the Act" and rules, subject to Directions/Guidelines by the Regulators or any other statutory authorities issued from time to time, the prior consent of the members is sought by way of a Special Resolution.

Your Directors recommend the passing of the resolution proposed at Item No.6 of the Notice.

None of the Directors or any key managerial personnel or the relatives of the directors or key managerial personnel are in any way concerned or interested, financially or otherwise, in the said resolution.

By the order of the Board

Date: 13 August 2018

Place: Chennai

K. Prabhu

Company Secretary

Route map to the venue of the AGM

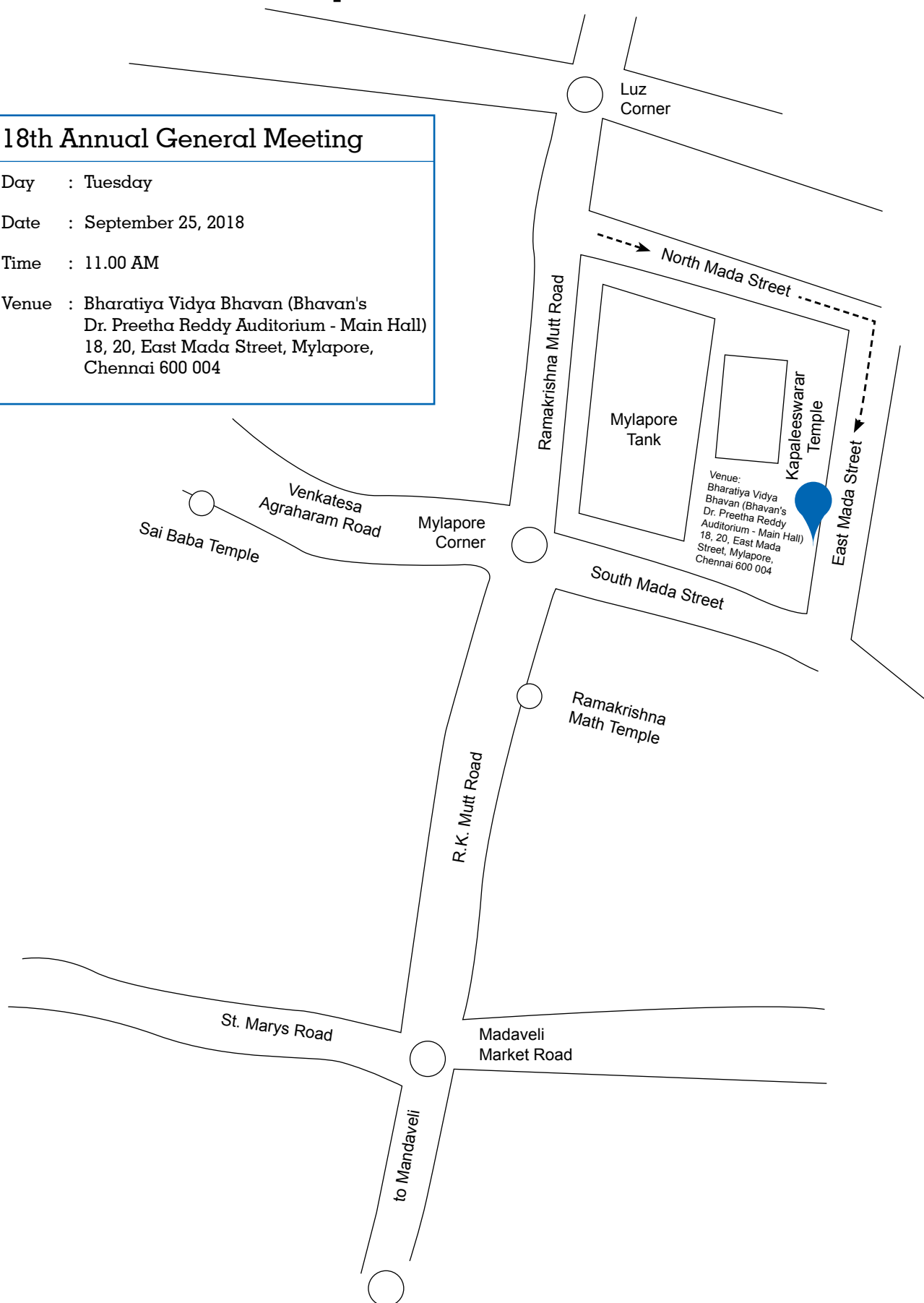
18th Annual General Meeting

Day : Tuesday

Date : September 25, 2018

Time : 11.00 AM

Venue : Bharatiya Vidya Bhavan (Bhavan's
Dr. Preetha Reddy Auditorium - Main Hall)
18, 20, East Mada Street, Mylapore,
Chennai 600 004



REPCO HOME FINANCE LIMITED

CIN- L65922TN2000PLC044655

Registered Office: Repco Tower, No. 33, North Usman Road, T. Nagar, Chennai 600 017

Corporate office: Third Floor, Alexander Square, Old No.34 & 35, New No.2,

Sardar Patel Road, Guindy, Chennai – 600032

Ph: (044) - 42106650 Fax: (044) – 42106651; E-mail: cs@repcohome.com

Website: www.repcohome.com

ATTENDANCE SLIP: 18th ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the 18th Annual General Meeting of the Company held on September 25, 2018 at 11 A.M, at Bharatiya Vidya Bhavan (Bhavan's Dr.Preetha Reddy Auditorium-Main Hall) # 18, 20, East Mada Street, Mylapore, Chennai 600004

Name of the Shareholder(s)
(In Capital Letters)

Name of the Proxy or Company Representative
(In Capital Letters)

Signature of Shareholder(s) OR
Proxy or Company's Representative

Notes:

1. A Proxy attending on behalf of Shareholder(s) should write the name of the Shareholder(s) from whom he holds Proxy.
2. Members are requested to bring their copy of the Annual Report to the Meeting as additional Copies of the same will not be made available at the Meeting.

Reg. Folio No.

* Client ID No.

* DPID No.

No. of shares held.....

*Applicable for members holding shares in electronic form.

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FORM No. MGT-11 PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: REPCO HOME FINANCE LIMITED

Registered Office: Repco Tower, No. 33, North Usman Road, T. Nagar, Chennai 600 017

Name of the Company: REPCO HOME FINANCE LIMITED

Registered Office: Repco Tower, No. 33, North Usman Road, T. Nagar, Chennai 600 017

Name of the Member(s) :
Registered Address :
E-mail Id :
Folio No/ Client Id :
DP ID :

I / We, being the member(s) of share of the above named company hereby appoint.

1. Name : E-mail ID:
Address: Signature:

Or failing him/her

2. Name : E-mail ID:
Address: Signature:

Or failing him/her

3. Name : E-mail ID:
Address: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the Company held on September 25, 2018 at 11 A.M, at Bharatiya Vidya Bhavan (Bhavan's Dr.Preetha Reddy Auditorium-Main Hall) # 18, 20, East Mada Street, Mylapore, Chennai 600004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote	
		For	Against
Ordinary Business			
1	Adoption of accounts		
2	Declaration of dividend		
3	Re-appointment of Smt. R.S. Isabella		
Special Business			
4	Appointment of Shri. Dinesh Ponraj Oliver, I.A.S as a Director liable to retire by rotation		
5	Appointment of Shri.K. Sridhar as an Independent Director of the Company		
6	Offer or invite subscription for Non-Convertible Debentures (NCD) and Commercial Paper (CP) aggregating to Rs.4000 Crore and Rs.1000 Crore respectively on private placement.		

Signed this day of 2018

Signature of Shareholder(s):

Signature of Proxy holder(s)

Notes:

- A member entitled to attend the meeting and vote thereat is entitled to appoint a proxy
- A proxy can vote on behalf of the member only on a poll but shall not have the right to speak.
- A proxy need not be a member of the Company.
- A person can act as a proxy on behalf of members not exceeding 50 and aggregate holding of not more than 10% of the total share capital of the Company.
- A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- It is optional for the member to indicate preference of Votes in the proxy form. If the member leaves the 'for' or 'against' column blank against any or all resolutions, the proxy will be entitled to vote in the manner as he/she may deem appropriate.
- Proxies(this form) in order to be valid must be deposited at the Company's registered office not less than 48 hours before the time fixed for the meeting or holding the adjourned meeting in relation to which the proxy is given.

AFFIX
(Re. 1/-)
REVENUE
STAMP

LIST OF BRANCHES & SAT CENTRES

ANDHRA PRADESH

- 1 Anantapur
- 2 Guntur
- 3 Kadapa
- 4 Kakinada
- 5 Kurnool
- 6 Nellore
- 7 Ongole
- 8 Rajhamundry
- 9 Thirupathi
- 10 Vijayawada
- 11 Vizag
- 12 Vizianagaram

GUJARAT

- 13 Ahmedabad
- 14 Bhavnagar
- 15 Jamnagar
- 16 Rajkot
- 17 Surat
- 18 Vadodara

JHARKHAND

- 19 Ranchi

KARNATAKKA

- 20 Banashankari
- 21 Bangalore
- 22 Basaveshwaranagar
- 23 Belgaum
- 24 Bellary
- 25 Davangere
- 26 Electronic City
- 27 Gulbarga
- 28 Hassan
- 29 Hoodi
- 30 Hubli
- 31 Kengeri
- 32 Mangalore

- 33 Mysore
- 34 Peenya
- 35 Shimoga
- 36 Tumkur
- 37 Yelahanka

KERALA

- 38 Ernakulam
- 39 Kollam
- 40 Kottayam
- 41 Palakkad
- 42 Punalur
- 43 Thrissur
- 44 Trivandrum

MADHYA PRADESH

- 45 Indore

MAHARASTRA

- 46 Ahmednagar
- 47 Amravati
- 48 Aurangabad
- 49 Chakan
- 50 Dombivli
- 51 Nagpur
- 52 Nanded
- 53 Nasik
- 54 Pimpri
- 55 Pune
- 56 Sangli
- 57 Panvel
- 58 Wagholi

ORISSA

- 59 Bhubaneswar
- 60 Cuttack

PONDICHERRY

- 61 Pondicherry

TAMIL NADU

- 62 Adayar
- 63 Anna Nagar
- 64 Ariyalur
- 65 Ashok Nagar
- 66 Avinashi
- 67 Chengalpattu
- 68 Chidambaram
- 69 Coimbatore
- 70 Coonoor
- 71 Mannargudi
- 72 Cuddalore
- 73 Dharmapuri
- 74 Dindigul
- 75 Erode
- 76 Gobichettipalayam
- 77 Hosur
- 78 Kancheepuram
- 79 Karur
- 80 Kelambakkam
- 81 Kumbakonam
- 82 Madurai
- 83 Madurai North Veli
- 84 Marthandam
- 85 Mayiladuthurai
- 86 Mettupalayam
- 87 Nagapattinam
- 88 Nagercoil
- 89 Namakkal
- 90 Palani
- 91 Paramathi Velur
- 92 Pattukottai
- 93 Perambalur
- 94 Perundurai
- 95 Pollachi
- 96 Pudukottai
- 97 Purasaiwakkam
- 98 Ramanathapuram
- 99 Ranipet

100	Saibaba Colony
101	Salem
102	Saravanampatti
103	Sivagangai
104	Sulur
105	Tambaram
106	Tenkasi
107	Thanjavur
108	Theni
109	Thiruvallur
110	Thiruvannamalai
111	Thiruvarur
112	Thiruverumbur
113	Tiruchengode
114	Tirunelveli
115	Tiruppur
116	Trichy
117	Tuticorin
118	Udumalpet
119	Vellore
120	Villupuram
121	Virudhunagar
122	Vyasarpadi

TELANGANA

123	Habsiguda
124	Hyderabad
125	Karimnagar
126	Khammam
127	Nizamabad
128	Patancheru
129	Warangal

WEST BENGAL

130	Durgapur
131	Kolkata

LIST OF SAT CENTRES

Place	Nodal Branch
TAMIL NADU	
1 Karaikudi	Pudukottai
2 Rajapalayam	Virudhunagar
3 Thirukoilur	Thiruvannamalai
4 Sathyamangalam	Gobichettipalayam
5 Sriperumbadur	Kancheepuram
6 Kovilpatti	Tuticorin
7 Aranthangi	Pudukkottai
8 Cumbum	Theni
9 Porur	Ashoknagar
10 Dharapuram	Tiruppur
11 Vellakoil	Karur
12 Musiri	Trichy
13 Rasipuram	Namakkal
14 Krishnagiri	Hosur
15 Viruthachalam	Chidambaram
16 Batlagundu	Dindigul
17 Thirumangalam	Madurai
18 Tirupattur	Vellore

ANDHRA PRADESH

19	Tenali	Guntur
20	Eluru	Vijayawada
21	Nandyal	Kurnool

KARNATAKA

22	Chitradurga	Davengere
23	Hospet	Bellary
24	Nanjangud	Mysore

KERALA

25	Allepey	Kottayam
26	Attingal	Trivandrum

GUJARAT

27	Anand	Vadodara
28	Morbi	Rajkot
29	Jamkhabhalia	Jamnagar



Our Chairman Shri TS Krishnamurthy and Managing Director Shri R Varadarajan at the launch of a new Home Loan Scheme Repco Super Delight plus



Shri R Varadarajan Managing Director receiving award for Excellence in Housing Finance Affordable Housing from the Governor of Tamilnadu at the Construction Academy awards function

