



Form A

(In Pursuance to Clause 31 of the Listing Agreement)

1	Name of the Company	Ind Bank Housing Ltd
2	Annual financial statements for the year ended	31 <sup>st</sup> March 2014
3	Type of Audit Qualification	Matter of Emphasis
4	Frequency of Qualification	Appeared since the financial year 2000-01
5	Signed by :	
	CEO/Managing Director	
	CFO/Company Secretary	
	Auditor of the Company	
	Audit Committee Chairman	

# Ind Bank Housing Ltd



**23<sup>rd</sup> ANNUAL REPORT  
2013-2014**



# Ind Bank Housing Ltd.

Registered Office: 66, Rajaji Salai, Chennai - 600 001.  
Corporate Office : 480, Anna Salai, Nandanam, Chennai - 600 035. Ph: 2432 9235

## BOARD OF DIRECTORS

Shri B. Rajkumar  
Shri G. Rajeevan Pillai (upto 09.08.2014)  
Shri K. Udaya Bhaskara Reddy (from 09.08.2014)  
Shri K. Subramanian (upto 21.06.2014)  
Shri Dr. P. Jayapal (from 21.06.2014 to 09-08-2014)  
Smt. Rekha V. Sarathy (from 09.08.2014)  
Shri A. Damodaran  
Shri M.S. Natarajan  
Shri. T.R. Chandrasekaran (from 09-08-2014)  
Smt. Sripriya Kumar (from 09-08-2014)  
Shri Banabihari Panda - Managing Director

## EXECUTIVE

Shri S. Selvaraj, Company Secretary

## AUDITORS

**Venkat & Rangaa**  
Chartered Accountants  
Old No. 6, New No. 11,  
6th Main Road,  
R.A.Puram, Chennai - 600 028.

## BANKER

Indian Bank, Nandanam Branch, Chennai

## OUR BRANCH NETWORK

### TAMILNADU

**CHENNAI** : 480, Anna Salai, Nandanam, Chennai - 600 035.  
Phone : 2432 9235

**Madurai** : 8-A, Ratnasamy Nadar Cross Cut Road, Bibi Kulam,  
Madurai - 625 002. Phone : 2527892

## SHARE REGISTRARS & TRANSFER AGENTS

**Cameo Corporate Services Ltd.**  
Subramanian Building,  
1, Club House Road,  
Chennai - 600 002.



## NOTICE

Notice is hereby given that the Twenty Third Annual General Meeting of the Company will be held on **Saturday the 27<sup>th</sup> September 2014** at 2.30 p.m. at Indian Bank Management Academy for Growth & Excellence (IMAGE), MRC Nagar, Raja Annamalaipuram, Chennai 600 028 to transact the following business:

### ORDINARY BUSINESS

- 1 To receive, consider and adopt the Directors' Report and the Audited Balance Sheet as at 31.03.2014 and Profit and Loss Account for the year ended 31.03.2014 and the Auditors' Report thereon.
- 2 To appoint a Director in place of Shri B Raj Kumar (DIN 05204091) who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.

### SPECIAL BUSINESS

- 3 To appoint Shri A.Damodaran (DIN 00083139) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification (s), the following resolution as an ordinary resolution.

"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri A.Damodaran (DIN 00083139) who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as a non-executive and independent Director of the Company to hold office for 5 consecutive years from the conclusion of 23<sup>rd</sup> Annual General Meeting (AGM) till the conclusion of 28<sup>th</sup> Annual General Meeting and who shall not be liable to retire by rotation".

- 4 To appoint Shri M.S.Natarajan (DIN 03029125) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution.

"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri M.S.Natarajan (DIN 03029125) who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as a non-executive and independent Director of the Company to hold office for 5 consecutive years from the conclusion of 23<sup>rd</sup> Annual General Meeting (AGM) till the conclusion of 28<sup>th</sup> Annual General Meeting and who shall not be liable to retire by rotation".

- 5 To appoint Shri T.R.Chandrasekaran (DIN 00399104) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution.

"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri T.R.Chandrasekaran (DIN 00399104) who was appointed as an Additional Director U/s 161 of the Companies Act, 2013 by the Board of Directors with effect from 09.08.2014 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a non-executive and independent Director of the Company to hold office for 5 consecutive years from the conclusion of 23<sup>rd</sup> Annual General Meeting (AGM) till the conclusion of 28<sup>th</sup> Annual General Meeting and who shall not be liable to retire by rotation".

- 6 To appoint Smt.Sripriya Kumar (DIN 03319979) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution.

"Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Sripriya Kumar (DIN 03319979) who was appointed as an Additional Director u/s 161 of the Companies Act, 2013 by the Board of Directors with effect 09.08.2014 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a non-executive and independent Director of the Company to hold office for 5 consecutive years from the conclusion of 23<sup>rd</sup> Annual General Meeting (AGM) till the conclusion of 28<sup>th</sup> Annual General Meeting and who shall not be liable to retire by rotation".

- 7 To appoint Shri K Udaya Bhaskara Reddy (DIN06926054) as a Director whose period of office shall be liable to determination by retirement of Directors by rotation and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

“Resolved that pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri K Udaya Bhaskara Reddy (DIN06926054) who was appointed as an Additional Director of the company under Section 161 of the Companies Act, 2013 by the Board of Directors with effect 09.08.2014 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director whose period of office shall be liable to determination by retirement of Directors by rotation”.

## 8 Borrowing Limits of the Company

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

**RESOLVED THAT** in supersession of the Ordinary Resolution passed on 19.12.1997 and pursuant to the provisions of section 180(1) (c) of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing any sum or sums of money from time to time whether in Indian rupees or in foreign currency, whether unsecured or secured, notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained, if any from the Company’s Bankers in the ordinary course of business) will or may exceed the aggregate of paid-up capital and free reserves of the Company and that the total amount up to which the moneys borrowed by the Board of Directors and outstanding shall not exceed the sum of Rs. 1000/- crores (Rupees One Thousand Crores only) at any point of time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

## 9 Creation of Mortgage/ Charge on the movable and immovable properties of the Company

To consider and if deemed fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 180 (1) (a) of the Companies Act, 2013 and the rules made there under, the consent of the Company be and is hereby accorded to mortgage and charge all the immoveable and moveable properties of the Company by the Board of Directors of the company, where so ever situate, present and future to or in favor of Financial institutions / banks (hereinafter the “Lenders”) of the Company to secure the Financial assistances granted/ to be granted by the Lenders up to an amount in the aggregate not exceeding Rs.1000 Crores, together with all interest thereon, commitment charge , costs, charges, expenses, and all the moneys payable by the Company to the Lenders in terms of the respective facility agreements entered into by the company in respect of the aforesaid assistances.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to finalize with the lenders, as the case may be the documents for creating the aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution.

By Order of the Board  
For Ind Bank Housing Ltd.

Place: Chennai  
Date: 09.08.2014

S Selvaraj  
Company Secretary

### Notes:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member.
2. Proxies should be lodged at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
3. Members/Proxies should bring the attendance slip duly filled in for attending the Meeting. Members are requested to communicate the change of address, if any, to enable us to register the same in our records.



4. The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special businesses, as set out in the Notice, is annexed hereto.
5. The Register of Members and Share Transfer Books of the company will remain closed from **25.09.2014 to 27.09.2014** (both days inclusive).
6. Members desirous of availing nomination facility for their shareholdings, may file Nomination Forms in respect of their shareholdings. Any member willing to avail of this facility may submit the prescribed form to the Registrars & Transfer Agent of the company M/s Cameo Corporate Services Ltd. Chennai 600 002.
7. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
8. Electronic Copy of the Annual Report and the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance slip and Proxy form are being sent to all the members whose email IDs are registered with the Company/Depository Participant (s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the above document are being sent in the permitted mode.
9. Members are requested to notify any change in their addresses to the Company immediately. Members holding shares in Demat form are requested to advise change of addresses to their Depository Participants.
10. As a measure of economy, copies of the Annual Report will not be distributed at the annual general meeting. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.
11. Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to Proxy Form and handover the Slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the board resolution/ power of attorney authorizing their representatives to attend and vote at the Annual General Meeting.
12. Members may also note that the Notice of the Annual General Meeting and the Annual Report will also be available on the Company's website [www.indbankhousing.com](http://www.indbankhousing.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form; upon making a request for the same, by post free of cost.
13. Voting through electronic means:
  - (a) The Company is pleased to provide members a facility to exercise their right to vote on the resolutions as set out in the Notice calling for the Annual General Meeting (AGM) by 'electronic means' and all the businesses may be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL), in compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014.
  - (b) Voting rights are reckoned on the basis of the shares registered in the names of the members / beneficial owners as on the record date fixed for this purpose,viz.,
  - (c) Mr. Sriram, M/s. P Sriram & Associates, Company Secretaries, Chennai has been appointed asscrutinizer for conducting the e-Voting process in a fair and transparent manner.
  - (d) Members are requested to read the instructions given below for e-voting:
    - (i) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
    - (ii) Click on "Members" tab to cast your votes.
    - (iii) Select the company "Ind Bank Housing Ltd." from the drop down menu and click on submit.
    - (iv) Enter the user id and the CAPTCHA code as appearing on the screen.
    - (v) If you are holding shares in Demat form and have already voted earlier on [www.evotingindia.com](http://www.evotingindia.com) for voting of any other Company, then your existing password are to be used.
    - (vi) If you are a first time user follow the steps given below:  
Fill up the following details in the appropriate boxes:

	For Members holding shares in Demat form	For Members holding shares in Physical form
User ID	For NSDL, 8 Character DP ID followed by 8 Digits Client ID. For CDSL, 16 Digits Beneficiary ID	Folio No. registered with the Company

PAN	Enter your 10 digit alpha numeric PAN issued by Income Tax Department and updated with the Company when prompted by the system while e-voting (applicable for both demat members as well as physical members)
DOB@	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or Folio No. in dd/mm/yyyy format.
Bank Details@	Enter the bank details as recorded in your demat account or in the company records for the said demat account or folio.

@ Please enter any one of the details in order to login. In case either of the details is not recorded with the depository/ company, please enter the number of shares held by you in the Bank details field.

- (vii) After entering these details appropriately click on "Submit" tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN 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 filed. The new password has to be a minimum of 8 characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. 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 the password confidential.
- (ix) Click on the EVSN for Ind Bank Housing Ltd. (EVSN No. 140819032) on which you choose to vote.
- (x) On the voting page, you will see the Resolution Description and against the same the option "Yes/No" for voting. Select the option "Yes" or "No" as desired. The option "Yes" implies that you assent to the Resolution and option "No" implies that you dissent to the Resolution.
- (xi) Click on the "Resolutions File" link if you wish to view the entire Resolution.
- (xii) After selecting the resolutions you have decided to vote on, click on "Submit". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) If Demat Account holders have forgotten the changed password, then enter the User ID and Captcha Code, click on Forgot Password and enter the details as prompted by the system.
- (xv) Institutional members (i.e.) other than individuals, HUF, NRI, etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates, link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board resolution or Power of Attorney in favour of the Custodian who they have authorized to vote on their behalf, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xvi) The voting period begins on **18.09.2014 and ends on 20.09.2014**. During this period members of the company holding shares either in physical form or in dematerialized form, as on the cut-off date of **22.08.2014** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (xvii) 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xviii) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date of 22.08.2014.
- (xix) The scrutinizer shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xx) The results of the e-voting along with the scrutinizers report shall be placed on the Company's website [www.indbankhousing.com](http://www.indbankhousing.com) and on the website of CDSL, within two days of passing of the said resolution at the AGM of the company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.



**Ordinary Business**

**Item No. 1** – Adoption of accounts for the year ended 31.03.2014.

**Item No. 2** – At this Annual General Meeting Shri B Rajkumar, Director retires by rotation and being eligible offers himself for reappointment. Shri Rajkumar, aged 59 years, is a Post Graduate in Engineering with MBA and CAIIB. He has more than 34 years of experience in various position in the banking industry and is now occupying the position of Executive Director of Indian Bank.

Details of Directorship/Committee Memberships held by him

Name of the company	Directorship	Committee membership
Indian Bank	Executive Director	Management Committee
		Audit Committee
		Members'/Investors' Grievance Committee
		Share Transfer Committee
		Risk Management Committee
		IT Strategy Committee
		Committee of Directors (Vigilance)
		Special Committee (monitoring large value frauds)
		Customer Service Committee
		Committee for monitoring of recovery
		HR Committee
Indbank Merchant Banking Services Limited	Director	

**STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“the Act”).**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

**Item No. 3**

Shri A.Damodaran aged 78 years is B.E.(Civil), M.Sc.,(Engg) & Dip. T & CP is an Independent Director and has held the position as such for more than 5 years. He has more than 45 years of experience in various positions and was the former Chief Planner, MMDA, Chennai. It is proposed to appoint Shri A.Damodaran as Independent Director under Section 149 of the Companies Act 2013 and Clause 49 of the listing agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019.

Shri A.Damodaran is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as Director.

- The Company has received declaration from Shri A.Damodaran that the criteria of independence as prescribed both under section 149 (6) of the Companies Act 2013 and Clause 49 of the Listing Agreement has been met.

Details of other Directorships/Committee memberships held by him

Name of the company	Directorship	Committee membership
Arihant Foundations & Housing Ltd	Director	Audit Committee

**Item No. 4**

Shri M.S.Natarajan aged 74 years is M.Sc.(Chemistry) B.L., Fellow of the Insurance Institute of India and Diploma in Business Management. is an Independent Director and has held the position as such for more than 5 years. He has more than 34 years of experience in various positions in the Insurance industry and he retired as the Executive Director of Life Insurance Corporation of India. It is proposed to appoint Shri M.S.Natarajan Independent Director under Section 149 of the Companies Act 2013 and Clause 49 of the listing agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019.

Shri M.S.Natarajan is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as Director.

- The Company has received declarations from Shri M.S.Natarajan that the criteria of independence as prescribed both under section 149 (6) of the Companies Act 2013 and Clause 49 of the Listing Agreement have been met.

Details of other Directorships/Committee memberships held by him - NIL



**Item No. 5**

Shri T.R.Chandrasekaran aged 68 years holds Degree in Commerce and Dip. in Labor law & Admin Law and also a Chartered Accountant, is an Independent Director and was co-opted as a Director on 09 08 2014 on the Board. He has more than 30 years of experience in various positions in the Banking industry and is a retired Deputy General Manager of Indian Bank. It is proposed to appoint Shri T.R.Chandrasekaran as an Independent Director under Section 149 of the Companies Act 2013 and Clause 49 of the listing agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019.

Shri T.R.Chandrasekaran is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as Director.

The Company has received notice in writing from a member along with deposit of requisite amount under section 160 of the Companies Act 2013 proposing the candidature of Shri T.R.Chandrasekaran for the office of Director of the Company. The Company has also received declaration from Shri T.R.Chandrasekaran that the criteria of independence as prescribed both under section 149 (6) of the Companies Act 2013 and Clause 49 of the Listing Agreement have been met.

Details of other Directorships/Committee memberships held by him

Name of the company	Directorship	Committee membership
Karnataka Bank Ltd	Director	Chairman, Audit Committee

**Item No. 6**

Smt. Sripriya Kumar aged 40 years practicing as Chartered Accountant is an Independent Director and was co-opted as a Director on 09 08 2014 on the Board. She has more than 20 years of experience in the field of Internal audit engagements, Fraud Risk assessments, Process Design, Cost Optimisation, Trade policy compliances etc. It is proposed to appoint Smt. Sripriya Kumar as an Independent Director under Section 149 of the Companies Act 2013 and Clause 49 of the listing agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 28<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019.

Smt. Sripriya Kumar is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given her consent to act as Director.

The Company has received notice in writing from a member along with deposit of requisite amount under section 160 of the Companies Act 2013 proposing the candidature of Smt. Sripriya Kumar for the office of Director of the Company. The Company has also received declarations from Smt. Sripriya Kumar that the criteria of independence as prescribed both under section 149 (6) of the Companies Act 2013 and Clause 49 of the Listing Agreement have been met.

Details of other Directorships/Committee memberships held by her -

Name of the company	Directorship	Committee membership
Proventure Pvt Ltd	Director	

**Item No. 7**

Shri K Udaya Bhaskara Reddy, aged 54 years is M.Sc.(Agri). M.B.A.(Finance), currently working as General Manager, Indian Bank holds was co-opted as a Director on 09.08.2014 on the Board. He has more than 30 years of experience in various positions in the Banking industry. He holds office up to the date of this Annual General Meeting. It is proposed to appoint Shri K Udaya Bhaskara Reddy as Director whose period of office shall be liable to determination by retirement of Directors by rotation.

Shri K Udaya Bhaskara Reddy is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

The Company has received notice in writing from a member along with deposit of requisite amount under section 160 of the Companies Act 2013 proposing the candidature of Shri K Udaya Bhaskara Reddy for the office of Director of the Company.

Details of other Directorships/Committee memberships held by him

Name of the company	Directorship	Committee membership
Indbank Merchant Banking Services Ltd.	Director	Audit Committee Stakeholders' Committee



**Item No. 8 & 9**

Section 180 of the Companies Act, 2013 (the Act) (corresponding to Section 293 of the Companies Act, 1956) has been notified by Ministry of Corporate Affairs (MCA) with effect from September 12, 2013. In terms of Section 180(1)(c) borrowings by a Company apart from temporary loans obtained from the Company's bankers in excess of its paid-up capital and free reserves, require the approval of the Members by way of special resolution.

Section 180(1)(a) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not, without the consent of members in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

Members of the Company vide resolution dated 19.12.1997 passed at the 6<sup>th</sup> Annual General Meeting of the Company had pursuant to Section 293(1)(d) of the Companies Act, 1956, approved the borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs.1000 Crore (Rupees One Thousand crore).

The members of the Company under Section 293(1)(a) of the Companies Act, 1956 had also approved creating mortgages/ charges/ hypothecations on the movable and immovable properties of the Company in favour of the lending agencies/debenture trustees up to a limit of Rs.1000 Crore.

The Ministry of Corporate Affairs (MCA) has vide its Circular dated March 25, 2014 clarified that the resolution passed under Section 293 of the Companies Act, 1956 prior to September 12, 2013 with reference to borrowings (subject to the limits prescribed) and/or creation of security on assets of the company will be effective for a period of one year from the date of notification of Section 180 of the Act which would be September 11, 2014. Pursuant to the above clarification a fresh approval of the Members is being sought under Section 180 of the Companies Act, 2013.

The Board recommends the Special Resolutions at Item Nos. 8 & 9 for approval by the Members.

**Memorandum of Interest**

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolutions.

**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participants concerned.

## DIRECTORS' REPORT

To the members,

Your Directors have pleasure in presenting the Twenty Third Annual Report of your Company with audited accounts for the year ended 31<sup>st</sup> March 2014.

### Financial Results:

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
		[Rs. in lacs]
Loss before depreciation, provision and tax	939.83	872.35
Add: Depreciation	0.59	0.80
Loss after depreciation and tax	940.42	873.15
Add/Less: withdrawal of provisions no longer required	(16.35)	(18.25)
Loss after adjustments	924.07	854.90
Balance loss brought forward from previous year	10016.61	9161.71
Balance loss carried over to balance sheet	10940.68	10016.61

### Performance of the Company:

During the financial year ended 31<sup>st</sup> March 2014 your company continued its efforts for recovery of non performing assets as done in the previous financial years. During this period the company had recovered Rs.1.41 crores from individual housing loans, project loan accounts and inter corporate deposits as against Rs.2.64 crores during the previous year.

The loss for the financial year 2013-14 for the financial year has increased to Rs.9.24 crores when compared to Rs. 8.55 crores in the previous financial year.

### Dividend

During the year, your company had incurred a net loss of Rs.9.24 crores. Hence the Board of Directors have not recommended any dividend for the financial year ended 31<sup>st</sup> March 2014.

### Public Deposit

The company had stopped renewing the public deposits with effect from 01.11.2001 for want of borrowing power. During the year 2013-14 the company has remitted Rs.0.15 lacs being the deposits matured but not claimed for more than 7 years, to the Investors Education and Protection Fund as per the requirements of the Companies Act, 1956. Consequent to this the outstanding public deposits have come down to Rs. 6.35 lacs as on 31.03.2014 from Rs. 6.50 lacs as on 31.03.2013. The entire outstanding balance represents matured but unclaimed deposits numbering to 8. The company has intimated the depositors about the maturity of deposits with a request to claim their deposits.

### Corporate Governance

Pursuant to clause 49 of the Listing agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding the compliance of the same are made a part of this Annual Report,

### Directors

During the year Shri, Rajiv Rishi Executive Director, Indian Bank has resigned from the Board of the company with effect from 26.06.2013, consequent to his appointment as Chairman and Managing Director of Central Bank of India. In his place Indian Bank has nominated Shri B. Rajkumar Executive Director Indian Bank and he was inducted into the Board on 26.06.2013.

Shri N Eswaran has resigned from the Board of the company as a Director with effect from 26.06.2013, consequent to his retirement from the services of Indian Bank on attaining superannuation. In his place Indian Bank has nominated Shri G. Rajeevan Pillai General Manager, Indian Bank and he was inducted into the Board of the company on 26.06.2013. Shri G. Rajeevan Pillai has resigned from the Board consequent to his retirement from the services of Indian Bank consequent to his attaining superannuation on 31.05.2014. His resignation was taken on record by the Board at the meeting held on 09.08.2014. In this place Indian Bank has nominated Shri Udaya Baskara Reddy, General Manager, Indian Bank and he was co-opted as additional Director at the meeting held on 09.08.2014. He will be appointed as Director at the ensuing annual general meeting as Director liable to retire by rotation.

Shri K Subramanian, Sr. Executive Director, Regional Office, HUDCO, Chennai was in the Board of your company as nominee of HUDCO. The HUDCO has nominated Dr P Jayapal, Sr. Executive Director HUDCO in his place as Shri K Subramanian has retired from the services of HUDCO on attaining superannuation. Dr P Jayapal was inducted in the Board your company on 30.05.2014. The HUDCO has nominated Smt Rekha V Sarathy Executive Director, Regional Office, HUDCO, Chennai in the place of Dr P Jayapal. Smt Rekha V Sarathy was inducted into the Board on 09.08.2014 in the place of Dr P Jayapal.



With the coming into force of the Companies Act, 2013, your Company, being a listed Company, Clause 49 of the Listing Agreement stipulates that 50% of the Board of Directors should be Independent Directors excluding the Nominee Director who was earlier treated as Independent Directors. In order to comply with the requirement our Board strength was increased to 8 by inducting 2 more Directors i.e., Shri T.R. Chandrasekaran and Ms. Sripriya Kumar (both are Chartered Accountants) as Independent Directors at the Board meeting held on 09.08.2014. These Directors will hold the office upto the date of ensuing annual general meeting and they will be appointed as Independent Directors.

All the four Independent Directors i.e., Shri A Damodaran Shri M.S. Natarajan Shri T.R.Chandrasekaran and Ms. Sripriya Kumar will be appointed at the ensuing annual general meeting for a fixed term 5 years and they are not liable to retire by rotation. In the opinion of the Board the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and the rules made there under and are independent of the management.

Your directors place on record their appreciation for the valuable contributions made by Shri Rajiv Rishi, Executive Director and Shri N Eswaran, and Shri G. Rajeevan Pillai General Managers and Shri K Subramanian & Dr P Jayapal, Sr. Executive Directors HUDCO during their tenure as Directors of the company.

#### **Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

That in the preparation of the annual accounts for the year ended 31<sup>st</sup> March 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

That such accounting policies as mentioned in Note No 19 of the Annual Accounts have been selected and applied consistently and judgments and estimates that are reasonable and prudent are made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March 2014 and of the loss of the Company for that year.

That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

That the annual accounts for the year ended 31<sup>st</sup> March 2014 has been prepared on a going concern basis.

#### **Auditors**

M/s Venkat & Rangaa Chartered Accountants have been appointed, as statutory auditors by the Comptroller and Auditor General of India for the year 2013-14.

#### **Auditors Report**

Regarding the observations made by the Auditors in their Report, Notes on Accounts furnished are self-explanatory.

#### **Information as Per Section 217 (1-E) of The Companies Act, 1956**

The company has no activity relating to conservation of energy or technology absorption.

The company did not have any foreign exchange earnings as well as expenses.

#### **Personnel**

None of the employees of the company received remuneration in excess of the limits prescribed Under Section 217 (2A) of the Companies Act, 1956.

#### **Acknowledgement**

The Directors wish to place on record their gratitude to the Ministry of Finance, Government of India, Reserve Bank of India, National Housing Bank and HUDCO for their valuable advice and guidance.

The Directors also place on record their appreciation for the assistance, active support and guidance received from Indian Bank and its officers and staff. The Directors express their appreciation for the contribution of the employees of the company. The Board of Directors thank all the Shareholders and Depositors for their patronage. Their continued patronage and support are of great encouragement to the company and will serve as a source of strength in all its future endeavours.

On behalf of the Board of Directors

Date: 09.08.2014  
Place: Chennai

MANAGING DIRECTOR

## REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy on code of Governance:

Corporate governance in a broader perspective deals with performance, conformance and report thereby ensuring greater transparency, better internal control and improved efficiency. Your company has been giving the highest importance to the elements of good corporate governance like transparency, accountability, compliance and responsibility in every sphere of management practice and equity in all areas of its operation and in all its dealings with the shareholders and multiple stakeholders.

### 2. The Management Discussion and Analysis Report:

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis Report is given as addition to this report.

### 3. Board of Directors

During the year Shri. Rajiv Rishi Executive Director, Indian Bank has resigned from the Board of the company with effect from 26.06.2013. In his place Indian Bank has nominated Shri.B Rajkumar, Executive Director Indian Bank and he was inducted into the Board on 26.06.2013. Shri N Easwaran has resigned from the Board of the company with effect from 26.06.2013. In his place Indian Bank has nominated Shri G.Rajeevan Pillai General Manager, Indian Bank and he was inducted into the Board of the company on 26.06.2013. The present Board of Directors of IBHL comprises one Executive Director, 2 non-Executive Directors and 3 Independent Directors.

Attendance of each Director at the Board Meetings held during 2013-14 and the last AGM is as follows:

Director	Category of Directorship	No. of Meetings Held	Attended	Last AGM Attended
Shri Rajiv Rishi	NED	1	1	NA
Shri.B.Rajkumar	NED	3	2	Not attended
Shri N Easwaran	NED	1	1	NA
Shri.G.Rajeevan Pillai	NED	3	3	Attended
Shri Banabihari Panda	MD	4	4	Attended
Shri.A Damodaran	Independent	4	3	Attended
Shri K Subramanian	Independent	4	3	Attended
Shri M S Natarajan	Independent	4	4	Not attended

NED – Non-Executive Director, MD – Managing Director

(i) Number of Board Meetings held and the dates on which held:

4 Board Meetings were held during the year 2013-14 as against the minimum requirement of 4 meetings. The dates on which meetings were held are given below:

03.05.2013, 14.08.2013, 26.10.2013, 01.02.2014

(ii) Information placed before the Board of Directors:

It is the policy of the company that in addition to matters statutorily requiring approval of the Board, all major terms involving obilization of resources, capital expenditure, investments, compromise etc are discussed by the Board. In line with this policy, all the information laid down in the corporate governance code are being placed before the Board of Directors.

### 4. Audit Committee

Terms of reference:

The Audit Committee provides direction to the audit functions of the company and monitors the quality of internal audit and internal control. The functions of the Audit Committee includes overseeing the financial reporting process to ensure proper disclosure of financial statements, reviewing the annual/half yearly financial statements before submission to the Board, reviewing adequacy of internal control systems and adequacy, structure and staffing of the internal audit function, reviewing findings of internal investigations, discussing the scope of audit with external auditors.

Composition:

The Audit Committee was constituted on 04 07 2002 and the following are the members of the committee during the year 2013-14.



Name of the member	Status	No. of meetings attended
Shri A Damodaran	Chairman	3
Shri N Easwaran	Member	1
Shri K Subramanian	Member	3
Shri M S Natarajan	Member	4
Shri.G.Rajeevan Pillai	Member	3

#### 5. Remuneration Committee:

Remuneration of employees consists of salary and perquisites which are governed by the service regulations of the company framed and approved by the Board. The Managing Director of the company is on deputation from Indian Bank and the remuneration is in accordance with the Indian Bank Officers' Service Regulation in force from time to time and the shareholders of the company at the respective general meeting have approved the same. However the present Managing Director does not receive any remuneration from Ind Bank Housing Ltd as the same is met by Indbank Merchant Banking Services Ltd where he is holding the position as President & Whole time Director. In view of the above, the company does not have a Remuneration Committee.

For Non Executive Directors [other than directors nominated by Indian Bank] sitting fees are paid for attending Board and Committee Meetings. The amount paid to them is as follows.

Name of the directors	Fees paid [for attending Board meetings].
Shri.A Damodaran	Rs.6,000/- paid for attending Board Meetings.
Shri M S Natarajan	Rs.8,000/- paid for attending Board Meetings

#### 6. Share Transfer/Shareholders Grievances Committee:

Composition

The share transfer committee was constituted by the Board of Directors at the meeting held on 09.12.1991. The Committee was reconstituted on 26.06.2013. The following Directors are members at present:

Shri Banabihari Panda

Shri G.Rajeevan Pillai

The functions of the Committee include approval, rejection of transfer, transmission, transposition of shares, issue of duplicate share certificates and other issues relating to shares. The Share Transfer Committee met 14 times during the year.

The attendance of members is as follows.

Shri A Damodaran	03
Shri N Easwaran	03
Shri K Subramanian	01
Shri.Banabihari Panda	11
Shri.G.Rajeevan Pillai	11

#### 7. Credit Committee.

The function of the committee is sanction of the housing loans to individuals and professional builders. The company has stopped lending housing loans from the year 2000. Hence the committee has not met.

Composition of the Committee

The Credit committee was constituted by the Board of Directors at the meeting held on 19<sup>th</sup> June 92 .At present the committee comprises the Managing Director and Shri A Damodaran, Director.

#### 8. General Body Meetings

The last three Annual General meetings were held as below:

Year	Date	Time	Venue
2010-11	20.08.2011	11.30 a.m	IMAGE, Chennai
2011-12	27.07.2012	3.00 p.m	IMAGE, Chennai
2012-13	23.09.2013	3.00 p.m	IMAGE, Chennai

No special resolution was put through postal ballot last year, nor is any proposed for this year.

**9. Disclosures**

- i) There are no transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the company at large.
- ii) There are no instances of non-compliance on any matter related to the capital market, during the last 3 years.

**10. Means of communication.**

The quarterly results are published in national daily newspapers viz. News Today in English and Malai Sudar in Tamil. The annual reports and accounts are posted to every shareholder of the company.

Management discussion and analysis report forms part of this annual report, which is being posted to all shareholders of the company.

**11. General Shareholder Information.**

23rd Annual General Meeting	
Date and venue	27.09.2014 at IMAGE, Chennai
Financial year	2013-14
Book closure dates	25.09.2014 to 27.09.2014
Listing of equity shares	Bombay Stock Exchange Ltd.
Stock code Bombay Stock Exchange	523465

**12. Market Price Data:**

Month	Bombay Stock Exchange Ltd.	
	High	Low
April 2013	11.08	10.04
May 2013	10.80	8.72
June 2013	10.15	8.03
July 2013	10.00	8.70
Aug 2013	9.40	7.85
Sep 2013	9.51	7.96
Oct 2013	10.50	8.41
Nov 2013	9.90	7.57
Dec 2013	11.34	8.20
Jan 2014	10.40	8.75
Feb 2014	9.50	8.21
Mar 2014	9.30	7.00

**13. Registrar & Transfer Agent**

M/s Cameo Corporate Service Ltd, Subramaniam Building, 1, Club House Road, Chennai - 600002.

**14. Share Transfer System**

The power to approve transfer, transmission, transposition, have been delegated to the Share Transfer Committee and issue of duplicate shares in lieu of lost, mutilated share certificates etc. have been delegated to the Board of Directors. All the requests received from the shareholders are processed within 20 days from the date of receipt. Letters are sent to the shareholders after transfer of shares in their names giving an option for dematerialisation of the physical shares. Physical shares are dematerialised and electronic credit is given to those shareholders who opt for dematerialisation and in respect of other shareholders who have not opted for dematerialisation, share certificates are dispatched by registered post.

**15. Distribution of Shareholding as on 31 03 2014**

	Category	No. of shares held	% of shareholding
<b>A</b>	Promoters holding		
1	Promoters		
	- Indian Promoters	5100000	51.00
	- Foreign Promoters		
2	Person acting in concert		
	Sub-total	5100000	51.00
<b>B</b>	Non-Promoters holding		
3	Institutional Investors		
	A Mutual funds and UTI		
	B Banks, FIs, insurance companies (Central/State Government institutions/ Non Government institutions)	2500200	25.00
	C FIs		
	Sub-total	2500200	25.00
4	Others		
	A Private Corporate Bodies	109367	1.09
	B individuals holding upto Rs.1 lacs	2045483	20.45
	C individual holding more than Rs.1 lac	112737	1.12
	D Clearing member	0	0
	E Hindu Undivided Families	69084	0.69
	F Non Resident Indians	63129	0.63
	Sub-total	2399800	24.00
	Grand Total	10000000	100.00

**16. Dematerialisation of shares & Liquidity**

The Company's shares are traded in the Stock Exchange only in electronic mode. The company has entered into necessary agreement for demat with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) whereby the shareholders have option to dematerialize their shares with these two depositories. The number of shares denaturalized as on 31 03 2014 is 9089543. The ISIN number allotted for the company's shares is INE969D01012.

**17. CEO/CFO Certification:**

The Managing Director and Head of Finance have issued certificate to the Board of Directors on the accounts of the company for the year 2013-14 as required under the Corporate Governance guidelines and the same is placed before the Board and taken on record.

**18. Compliance Report:**

The company had complied with the guidelines regarding the mandatory requirements on the Corporate Governance Guidelines as per the Clause 49 of the Listing Agreement.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. BUSINESS ENVIRONMENT

The real estate sector contributes significantly to the Indian GDP. The present economic environment has impacted the real estate sector in terms of higher interest costs both for home buyers as well as developers, reduced liquidity due to slower retail sales, high cost of funds, shortage of labour, rising cost of materials, etc. The sector has been reeling under slowing down of demand for residential, commercial and retail segments coupled with higher debt burden and is striving for better cash flow management. However, the relaxed FDI rules and revised investor friendly policies implemented in our country recently are promoting the growth of real estate sector by inviting both Indian and foreign investors.

### 2. BUSINESS OPERATIONS

Your company has stopped fresh lending since the year 2000 and is complying with the National Housing Bank's regulations. The company is concentrating only on recovery of housing loans and other assets. The company was notified as a 'financial institution' under the Securitisation Act on 16.03.2006 which is helping the company to speed up the recovery process.

### 3. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The major risks among others that your company manages include credit risk, liquidity risk, interest rate risk and operational risk. As there is no fresh lending, the credit risks on appraisal and disbursement do not arise. The company has put in place an aggressive recovery mechanism for realisation of existing housing loans, including continuous follow up of legal proceedings to speed up the recovery process. Your company continuously monitors the recovery of the loans and funds requirement and hence the liquidity risk is minimized.

Your company has detailed operating manuals and well laid down delegation of powers to ensure that operational controls are maintained on the business. The policies and procedures are adopted as per the guidelines of National Housing Bank after placing it to Board. Your company has also an adequate internal audit system to ensure feedback on adherence to the defined policies and procedures.

### 4. HUMAN RESOURCES

Human resources of your company consist of 3 employees (2 officers and one assistant) on direct rolls. The employees are qualified and experienced in their field of operations.

### 5. FINANCIAL PERFORMANCE

#### Share Capital

The share capital of your company comprises one crore equity shares of Rs.10/- each. Your company's shares are listed with Bombay Stock Exchange.

#### Secured Loans

Secured loans comprise term loan dues to Indian Bank. Your company has started repaying the loan from the year 2004-05. During the financial year 2013-14, it has not repaid as against Rs.0.25 crores repaid during the previous financial year 2012-13.

#### Unsecured Loans

Your company had stopped accepting fresh public deposits since 1998 and renewal of the deposits from 01 11 2001. Your company has repaid all the deposits except a sum of Rs.0.06 crores as on 31.03.2014 which represent the deposits matured and unclaimed by the depositors. Your company is sending reminders to the depositors to surrender the deposit receipts to make the payment, pending decision of the Court.

#### Other Current Liabilities:

The increase under this head is due to the fact that the amount received under the auction sale held under the provisions of SARFAESI Act and amount received in terms of order of High Court, Madras in one account is kept without appropriation.

#### Fixed Assets

The fixed assets consist furniture, office equipments and computers.

#### Investments

The investments of your company comprise deposits [as per statutory liquid assets requirements].

**Long term loans and advances:**

The Long term loan has decreased due to the recoveries under loans, including NPA accounts, etc.

**Miscellaneous Expenditure and Profit and Loss Account**

Your company has no miscellaneous expenditure to be charged to profit and loss account. The accumulated losses stood at Rs.109.41 crores as at 31.03.2014 and Rs.100.17 crores as at 31.03.2013.

**Income**

The gross income has increased to Rs.0.49 crores in 2013-14 from Rs.0.24 crores in 2012-13. The increase in the interest income is mainly due to recovery in individual loan and project loan accounts.

**Expenses**

Finance charges have increased to Rs.9.57 crores from Rs. 8.61 crores owing to charging interest on unserviced interest. The personnel expenses have decreased to Rs.15.69 lacs from Rs. 22.06 lacs. The administrative and other expenses has increased to Rs. 16.17 lacs as against Rs.13.76 lacs due to payment of legal/consultancy charges.

Your company has reversed provision to the extent of Rs.16.35 lacs during the financial year 2013-14 as against additional provisions to the extent of Rs. 18.25 lacs during 2012-13.

**Financial Results**

[Rs.in lacs]

	Particulars	Year ended 31.03.2014	Year ended 31.03.2013
1	Gross Income	49.13	24.31
2	Interest Expenses	957.10	860.84
3	Other expenses	31.86	35.82
4	Provision for contingencies	(16.35)	(18.25)
5	Loss before depreciation and tax [1 – (2+3+4)]	923.48	854.10
6	Depreciation	0.59	0.80
7	Loss after depreciation and tax (5+6)	924.07	854.90
8	Prior period adjustments	0	0
9	Profit/Loss after adjustments (7 – 8)	924.07	854.90
10	Balance brought forward from previous year	10016.61	9161.71
11	Balance carried over to balance sheet (9+10)	10940.68	10016.61

**6. OUTLOOK**

Since the notification of your company under the Securitisation Act on 16.03.2006, it is taking all out efforts for recovery of all NPA accounts which had helped the company to make impressive recovery both in individual housing loans and inter corporate deposits during the financial years from 2007-08 to 2013-14. The company will continue with the same level of efforts for recovery performance in the coming financial year also, which will help to improve its bottom line further.

## INDEPENDENT AUDITORS' REPORT

To the Members of  
**IND BANK HOUSING LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **IND BANK HOUSING LIMITED**, which comprise the Balance Sheet as at March 31, 2014, and 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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control, 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 management, 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.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. Attention of the members is invited to Notes an Accounts under (b) regarding preparation of accounts on a going concern basis. This is subject to the Company getting the continued financial support from Indian Bank as stated in the said notes.
3. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Venkat and Rangaa  
Chartered Accountants  
FRN: 4597 S

S. Mohan Raajan  
Partner  
M.No.206393

Place : Chennai  
Date : 23.04.2014

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our Report of even date)

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of Fixed Assets.
- (b) The fixed assets have been physically verified by the management during the year. No discrepancies were noticed on such physical verification.
2. According to the information and explanations given to us the provisions of clauses (ii), (iii), (v), (viii), (xiii), (xviii), (xix), (xx) of paragraph 4 of the Companies (Auditors Report) Order 2003 are not applicable to the Company.
3. The Company has not granted or taken any loans, secured or unsecured to/from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of fixed assets.
5. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and the rules framed and directions issued by National Housing Bank (NHB) wherever applicable to deposits accepted from public except as stated hereunder:
  - (i) NHB has allowed time upto 30.09.2001 to bring the Public Deposits within the limits prescribed by the NHB. The Company has repaid all the deposit accepted from public except to the extent of Rs.6.35 Lacs, which represents the deposits matured but not claimed, for which the company has deposited a sum of Rs. 6.33 Lacs in Escrow A/c with Indian Bank.
  - (ii) The total borrowing of the Company is in excess of the limits prescribed by the NHB in relation to the net worth of the Company and has been reported to NHB.
6. Taking into account the volume and nature of operations presently carried on by the Company, we are of the opinion that the present system of internal audit is adequate from the point of view of coverage/requirement.
7. (a) The company is regular in depositing undisputed statutory dues including provident fund dues and income tax with the concerned authorities. We are informed that the provisions of Employees State Insurance Act, 1948, Wealth Tax Act, Sales Tax Act, Customs and Excise laws are not applicable to this Company.
- (b) According to the information and explanations given to us the following disputed taxes (including interest) as disclosed in Contingent Liabilities have not been deposited by the Company.

Nature	Amount Rs. In Lacs	Forum
Income Tax disputed in appeal A.Y.1999-2000	432.00	Hon'ble Madras High Court, Chennai
A.Y.2005-2006	19.02	The Commissioner of Income Tax (Appeals) - III, Chennai.

8. The accumulated losses of the Company at the end of the financial year exceeds fifty per cent of its net worth. The Company has incurred cash losses in the current financial year and in the immediately preceding financial years.
9. The Company has defaulted in repayment of dues to financial institutions and banks as per the details given below:
 

Sl. No	Institutions	Amount of default Rs in lacs	In default since	Nature of loan
1	Indian Bank - TL III	4406.70	July 1999	Term loan
2	Indian Bank - TL IV	5049.62	Loan availed in July 2004	Term loan
10. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. The Company does not deal or trade in shares, securities, debentures and other investments in the ordinary course of its business. In respect of shares and securities held as investments by the Company proper records have been maintained for transactions and contracts and timely entries have been made therein.
12. According to the information and explanations given to us the Company has not given any guarantee for loans taken by others from banks or financial institutions.
13. According to the information and explanations given to us the company has not raised funds on short term basis during the year.
14. According to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the year.

For Venkat and Rangaa  
Chartered Accountants  
FRN: 4597 S

S. Mohan Raajan  
Partner  
M.No.206393

Place : Chennai  
Date : 23.04.2014

## AUDITORS CERTIFICATE

To the Members of  
**IND BANK HOUSING LIMITED**

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by Ind Bank Housing Limited, for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was conducted in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, subject to:

1. Our reliance upon the certificate received by the Company from its Registrar that there were no complaints received from shareholders unattended as on 31.03.2014 and that there are no share transfers pending as the year end as at stated under Serial No. 6 of the Company's Report on the Corporate Governance;
2. Our having relied on the representation of the management that there were no transactions of material nature with the management or their relatives that may have potential conflict with the interest of the Company at large, as stated under Serial No. 10 of the Company's report on Corporate Governance.

We certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance 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.

For Venkat and Rangaa  
Chartered Accountants  
FRN: 4597 S

Place: Chennai  
Date : 23.04..2014

S. Mohan Raajan  
Partner  
M.No.206393

### **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF IND BANK HOUSING LIMITED FOR THE YEAR ENDED 31 MARCH 2014.**

The preparation of financial statements of Ind Bank Housing Limited for the year ended 31 March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 is responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Standards on Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 23.04.2014.

I, on the behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Ind Bank Housing Limited, for the year ended 31 March 2014. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's report under section 619(4) of the Companies Act, 1956.

Place : Chennai  
Date : 13 June 2014

(G. SUDHARMINI)  
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT &  
EX-OFFICIO MEMBER AUDIT BOARD, CHENNAI

## BALANCE SHEET AS ON 31.03.2014

(in Rs.)

	Note No.	As on 31.03.2014	As on 31.03.2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	10 00 00 000	10 00 00 000
(b) Reserves and Surplus	2	(103 57 51 116)	(94 33 44 123)
(c) Money received against share warrants		NIL	NIL
(d) Foreign Currency Translation Reserve		NIL	NIL
<b>(2) Share application money pending allotment</b>			
		NIL	NIL
<b>(3) Non-Current Liabilities</b>			
(a) Long Term borrowings	3	94 56 34 630	84 99 25 059
(b) Deferred Tax Liabilities (Net)		NIL	NIL
(c) Other Long-Term Liabilities		NIL	NIL
(d) Long-Term Provisions	4	4 76 826	4 47 133
<b>(4) Current Liabilities</b>			
(a) Short- Term Borrowings		NIL	NIL
(b) Trade payables		NIL	NIL
(c) Other Current Liabilities	5	7 41 65 475	6 73 80 708
(d) Short-Term Provisions	6	10 808	16 839
		<b>8 45 36 623</b>	<b>7 44 25 616</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	7	2 81 321	3 44 740
(ii) Intangible Assets		NIL	NIL
(iii) Capital Work-in-progress		NIL	NIL
(iv) Intangible assets under development		NIL	NIL
(b) Non-Current investments		NIL	NIL
(c) Deferred Tax Assets (Net)		NIL	NIL
(d) Long term loans & advances	8	23 26 052	56 46 479
(e) Other non-current assets		NIL	NIL
<b>(2) Current Assets</b>			
(a) Current Investments	9	2 88 267	7 64 916
(b) Inventories		NIL	NIL
(c) Trade Receivables		NIL	NIL
(d) Cash and cash equivalents	10	4 78 86 837	3 45 04 887
(e) Short-Term Loans and advances	11	NIL	NIL
(f) Other Current assets	12	3 37 54 146	3 31 64 594
<b>(3) Miscellaneous Expenditure to the extent not written off or adjusted</b>			
(a) Discount on issue of debentures		NIL	NIL
(b) Premium on redemption of debentures		NIL	NIL
(c) Amalgamation Adjustment Account		NIL	NIL
(d) Discount on issue of shares		NIL	NIL
		<b>8 45 36 623</b>	<b>7 44 25 616</b>

Notes Nos 1 - 13 and Note Nos 19 & 20 form an integral part of these Financial statements

**FOR VENKAT & RANGAA**  
CHARTERED ACCOUNTANTS

**(B RAJKUMAR)**  
DIRECTOR

**(G RAJEEVAN PILLAI)**  
DIRECTOR

**S MOHAN RAAJAN**  
PARTNER

**(A DAMODARAN)**  
DIRECTOR

**(M S NATARAJAN)**  
DIRECTOR

CHENNAI  
DATE: 23.04.2014

**(BANABIHARI PANDA)**  
MANAGING DIRECTOR

**(S SELVARAJ)**  
COMPANY SECRETARY

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2014

(in Rs.)

Particulars	Note No	For the Year ended 31.03.2014	For the Year ended 31.03.2013
<b>REVENUE</b>			
<b>I. Revenue from Operations</b>			
Interest on housing loan		20 58 729	16 35 487
<b>II. Other Income</b>	14	28 54 052	7 95 551
<b>III. Total Revenue (I+II)</b>		<u>49 12 781</u>	<u>24 31 038</u>
<b>EXPENSES</b>			
Employee benefits expense	15	15 68 717	22 05 921
Finance Costs	16	9 57 09 571	8 60 83 998
Depreciation and amortization expense		59 358	80 122
Other expense	17	16 17 403	13 75 763
<b>IV. Total Expenses</b>		<u>9 89 55 049</u>	<u>8 97 45 804</u>
<b>V. Profit before exceptional and extraordinary items (III-IV)</b>		(9 40 42 268)	(8 73 14 766)
VI. Exceptional Items			
<b>VII. Profit before extraordinary items (V-VI)</b>		(9 40 42 268)	(8 73 14 766)
VIII. Extraordinary Items			
Addition/Withdrawal of provisions and contingencies	18	(16 35 275)	(18 25 146)
<b>IX. (VII-VIII)</b>		(9 24 06 993)	(8 54 89 620)
<b>XI. Profit/(loss) for the period from continuing operations (IX-X)</b>		(9 24 06 993)	(8 54 89 620)
<b>XII. Profit/(loss) from discontinuing operations</b>		NIL	NIL
<b>XIII. Tax Expense of discontinuing operations:</b>		NIL	NIL
<b>XIV. Profit/(loss) from discontinuing operations (after tax) (XII-XIII)</b>		NIL	NIL
<b>XV. Profit/(loss) for the period [Profit After Tax (PAT)] (XI+XIV)</b>		<u>(9 24 06 993)</u>	<u>(8 54 89 620)</u>
<b>XVI. Earnings per equity share</b>			
(1) Basic		(9.24)	(8.55)
(2) Diluted		(9.24)	(8.55)
No. of shares reckoned for calculating EPS		1 00 00 000	1 00 00 000

Notes Nos 14 - 18 and Note Nos 19 & 20 form an integral part of these Financial statements

**FOR VENKAT & RANGAA**  
CHARTERED ACCOUNTANTS

**(B RAJKUMAR)**  
DIRECTOR

**(G RAJEEVAN PILLAI)**  
DIRECTOR

**S MOHAN RAAJAN**  
PARTNER

**(A DAMODARAN)**  
DIRECTOR

**(M S NATARAJAN)**  
DIRECTOR

CHENNAI  
DATE: 23.04.2014

**(BANABIHARI PANDA)**  
MANAGING DIRECTOR

**(S SELVARAJ)**  
COMPANY SECRETARY

## NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS

**NOTE - 1. (A) Authorised, Issued, Subscribed, Paid-up share capital and par value per share**

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Authorised Share Capital</b>		
5,00,00,000 Equity Shares of ₹.10 each (Previous year 5,00,00,000 equity shares of Rs.10 each)	50 00 00 000	50 00 00 000
<b>Issued &amp; Subscribed Share Capital</b>		
1,00,00,000 equity shares of Rs.10 each (Previous year 1,00,00,000 equity shares of Rs.10 each)	10 00 00 000	10 00 00 000
<b>Paid-up Share Capital</b>		
1,00,00,000 equity shares of Rs.10 each (Previous year 1,00,00,000 equity shares of ₹.10 each)	10 00 00 000	10 00 00 000
Less: Calls unpaid by directors and other officers	NIL	NIL
Add: Equity shares forfeited (paid-up)		
<b>Total</b>	<b>10 00 00 000</b>	<b>10 00 00 000</b>

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

(in Rs.)

Particulars	For the Year ended 31.03.2014	For the Year ended 31.03.2013
<b>Number of shares outstanding as the beginning of the year</b>	1 00 00 000	1 00 00 000
<b>Add:</b>		
Number of shares allotted as fully paid-up bonus shares during the year	NIL	NIL
Number of shares allotted during the year as fully paid-up pursuant to a contract without payment being received in cash	NIL	NIL
Number of shares allotted to employees pursuant to ESOPs/ESPs	NIL	NIL
Number of shares allotted for cash pursuant to public issue	NIL	NIL
<b>Less:</b>		
Number of shares bought back during the year	NIL	NIL
<b>Number of shares outstanding as at the end of the year</b>	<b>1 00 00 000</b>	<b>1 00 00 000</b>

(C) Rights, preferences and restrictions attaching to various classes of shares

Sl.no	Class of shares	Rights, preferences and restrictions (including restrictions on distribution of dividend and repayment of capital) attached to the class of shares
1.		Nil

**(D) There is no shares held in the holding company - Indian Bank**
**(E) Shares in the company held by each shareholder holding more than 5% shares**

Sl.no	Name of the shareholder	Number of shares held in the company	Percentage of shares held
1	Indian Bank	510 00 000	51.00%
2	HUDCO	250 00 000	25.00%
3	Public	240 00 000	24.00%
	<b>Total</b>	<b>1000 00 000</b>	<b>100.00%</b>

**(F) Shares reserved for issue under options and contracts**

Sl.no	Number and class of shares reserved for issue	Party in whose favour reserved	Details of contracts/ options under which shares reserved for issue
1.	Nil	Nil	Nil



**NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS****NOTE - 2. RESERVES AND SURPLUS**

(in Rs.)

Particulars	Opening	Additions during the year	Deductions during the year	As on 31.03.2014	As on 31.03.2013
Special Reserve in terms of sec 36(1) (viii) of the Income Tax Act	5 83 16 773	NIL	NIL	5 83 16 773	5 83 16 773
Surplus (Profit and Loss Account)(1)	(100 16 60 896)	(9 24 06 993)		(109 40 67 889)	
Surplus (Profit and Loss Account)(1)	(91 61 71 276)	(8 54 89 620)			(100 16 60 896)
<b>Total</b>	<b>(185 95 15 399)</b>	<b>(17 78 96 613)</b>	<b>NIL</b>	<b>(103 57 51 116)</b>	<b>(94 33 44 123)</b>

**NOTE - 3. LONG TERM BORROWINGS**

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>(A) BONDS/DEBENTURES</b>		
<b>Secured</b>	NIL	NIL
<b>(B) TERM LOANS FROM INDIAN BANK</b>		
Term loan III	27 83 82 921	27 83 82 921
<i>(Secured by 1st charge over inter corporate deposits)</i>		
Interest accrued and due	16 22 87 059	11 73 56 138
	<u>44 06 69 980</u>	<u>39 57 39 059</u>
Term loan IV	27 50 00 000	27 50 00 000
<i>(availed to repay NHB refinance)</i>		
Interest accrued and due	22 99 62 264	17 91 83 614
	<u>50 49 62 264</u>	<u>45 41 83 614</u>
Sub-total (B)	<u>94 56 32 244</u>	<u>84 99 22 673</u>
<b>(C) PUBLIC DEPOSITS (UNSECURED)</b>	2 386	2 386
<b>Total(A+B+C)</b>	<b>94 56 34 630</b>	<b>84 99 25 059</b>

**NOTE - 4. LONG TERM PROVISIONS**

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
Employee Benefits(Leave Encashment)	4 76 826	4 47 133
Others	NIL	NIL
<b>Total</b>	<b>4 76 826</b>	<b>4 47 133</b>

**NOTE - 5. OTHER CURRENT LIABILITIES**

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
Current maturities of long term debt		
Creditors for expenses	3 18 59 513	3 17 20 700
Amount received from SARFAESI action	3 56 85 652	2 83 50 124
Unclaimed matured public deposit	6 33 090	6 48 090
Other payables	59 87 220	66 61 794
<b>Total</b>	<b>7 41 65 475</b>	<b>6 73 80 708</b>

**NOTE - 6. SHORT-TERM PROVISIONS**

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
Provision for employee benefits	NIL	NIL
Provision for dividends (including dividend distribution tax)		
Provision for income tax	1 730	1 730
Provisions against standard assets	9 078	15 109
<b>Total</b>	<b>10 808</b>	<b>16 839</b>



## NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS

### NOTE - 7. FIXED ASSETS - TANGIBLE - OWNED

Reconciliation of the gross carrying amounts and net carrying amounts at the beginning and at the end of the year

(in Rs.)

Description	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount			
	Opening	Additional adjustment during the year	Deductions during the year	Total	Opening	Additional adjustment during the year	Deductions during the year	Total	As on 31.03.2013	As on 31.03.2014
1. Furniture & Fixtures	6 85 881		30 488	6 55 393	5 09 102	31 913	30 013	5 11 002	1 76 779	1 44 391
2. Vehicles	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3. Office equipments	2 44 089	NIL	83 410	1 60 679	1 99 298	6 032	81 075	1 24 255	44 791	36 424
4. Electrical equipments	2 72 294	NIL	17 586	2 54 708	1 66 196	14 584	16 335	1 64 445	1 06 099	90 263
5. Computers	2 95 360	NIL	NIL	2 95 360	2 78 288	6 829	NIL	2 85 117	17 072	10 243
<b>Total</b>	<b>14 97 624</b>	<b>NIL</b>	<b>1 31 484</b>	<b>13 66 140</b>	<b>11 52 884</b>	<b>59 358</b>	<b>1 27 423</b>	<b>10 84 819</b>	<b>3 44 740</b>	<b>2 81 321</b>
Previous year	27 50 260	NIL	12 52 636	14 97 624	22 00 741	80 122	11 27 979	11 52 884	5 49 519	3 44 740

**NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS****NOTE - 8. LONG TERM LOANS AND ADVANCES**

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
(i) Secured, Considered good		
- individuals	95 70 166	1 15 97 492
- project loans	8 61 67 097	8 90 94 591
Total	9 57 37 263	10 06 92 083
Less: provision for non-performing assets	9 34 11 211	9 50 45 604
<b>Total</b>	<b>23 26 052</b>	<b>56 46 479</b>

**NOTE - 9. CURRENT INVESTMENTS**

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>Non-trade Investments</b>		
(i) Investments in Equity Instruments		
a) quoted investments	10 03 933	10 03 933
b) unquoted investments	6 48 300	6 48 300
(ii) Investment in Government securities	NIL	5 41 500
	<b>16 52 233</b>	<b>21 93 733</b>
Less: Aggregate provision made for diminution in value	13 63 966	14 28 817
<b>Total</b>	<b>2 88 267</b>	<b>7 64 916</b>

**INVESTMENT IN GOVERNMENT SECURITIES (QUOTED)**

(in Rs.)

Particulars	Cost as on 31.03.2014	Cost as on 31.03.2013
Government Securities – 12.40% GOI 2013 Bonds	0	541,500
	0	541,500

**INVESTMENT IN SHARES OF LIMITED COMPANIES (QUOTED)**

(in Rs.)

Particulars	No of share	Face Value	Paid up value	Cost 31.03.14	Cost 31.03.13
Lakshmi Precision Screws Ltd	5833	10	10	495,881	495,881
(Market value as on 31.03.14 Rs.233,320)					
(Market value as on 31.03.13 Rs.165,949)					
Jayaswals Neco Ltd	3500	10	10	482,750	482,750
(Market value as on 31.03.14 Rs.29,645)					
(Market value as on 31.03.13 Rs.32,165)					
Kabra Extrusions Technic Ltd	1500	10	10	25,302	25,302
(Market value as on 31.03.14 Rs.46,875)					
(Market value as on 31.03.13 Rs.40,500)					
<b>Total</b>				<b>1,003,933</b>	<b>1,003,933</b>
provision held for the above				715666	780517

**INVESTMENT IN SHARES OF LIMITED COMPANIES (UN-QUOTED)**

(in Rs.)

Particulars	No of share	Face Value	Paid up value	Cost 31.03.14	Cost 31.03.13
Hamco Mining and Smelting Ltd (Hindutan Alloyes Manufacturing Co.Ltd)	5000	10	10	407,050	407,050
Rajasthan Petro Synthetics Ltd	5000	10	10	241,250	241,250
<b>Total</b>				<b>648,300</b>	<b>648,300</b>
provision held for the above				648300	648300

## NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS

### NOTE - 10. CASH AND CASH EQUIVALENTS

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
(A) Balance with Banks		
(I) Earmarked Bank Balances	Nil	Nil
(II) Bank balances held as margin money or as security against:		
(III) Other bank balances		
(i) bank deposits with more than 12 months	4 77 09 079	3 10 00 612
(ii) in current account	1 74 037	34 96 430
(B) Cheques, drafts in hand	NIL	NIL
(C) Cash on hand	3 721	7 845
<b>TOTAL</b>	<b>4 78 86 837</b>	<b>3 45 04 887</b>

### NOTE -11. SHORT-TERM LOANS AND ADVANCES

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>(A) Loans and Advances</b>		
(i) Secured, Considered good		
(ii) Unsecured, Considered good		
(iii) Doubtful (inter corporate deposits)	1 12 49 139	1 11 79 139
(iv) Loss asset (inter corporate deposits)	11 14 03 888	11 14 03 888
Total	12 26 53 027	12 25 83 027
Less: Allowance for bad and doubtful advances	12 26 53 027	1 25 83 027
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

### NOTE - 12. OTHER CURRENT ASSETS

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
Interest accrued and due on investments	4 86 219	1 91 414
Advances recoverable in cash or in kind or for value to be received	7 82 007	7 95 403
instalments due from borrowers		27 921
Tax payments pending Adjustments	3 24 85 920	3 21 49 856
<b>Total</b>	<b>3 37 54 146</b>	<b>3 31 64 594</b>

### NOTE - 13. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(in Rs.)

Particulars	As on 31.03.2014	As on 31.03.2013
<b>(A) Contingent Liabilities</b>		
Income tax department has raised a demand for the assessment year 1999-00 against company had filed appeal before High Court Madras	432.00	432.00
Income tax department has raised a demand for the assessment year 2005-06 against company had filed appeal before CIT	19.02	19.02
	<b>451.02</b>	<b>451.02</b>

**NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS****NOTE - 14. OTHER INCOME**

(in Rs.)

<b>Particulars</b>	<b>For the Year ended 31.03.2014</b>	<b>For the Year ended 31.03.2013</b>
<b>(A) Income from non-current investments</b>		
- Interest from Government Securities	24 375	62 000
- Dividends from shares of other companies	6 166	10 250
<b>Total (A)</b>	<b>30 541</b>	<b>72 250</b>
<b>(B) Others</b>		
- Interest on short term deposits	24 94 707	6 43 871
- Profit on Sale of Assets	NIL	48 008
- Profit on Sale of investments	NIL	NIL
- others	3 28 804	31 422
<b>Total (B)</b>	<b>28 23 511</b>	<b>7 23 301</b>
<b>Total (A)+(B)</b>	<b>28 54 052</b>	<b>7 95 551</b>

**NOTE - 15. EMPLOYEE BENEFIT EXPENSES**

(in Rs.)

<b>Particulars</b>	<b>For the Year ended 31.03.2014</b>	<b>For the Year ended 31.03.2013</b>
Salaries and wages, bonus, gratuity and allowances	12 50 054	20 30 784
Contribution to Provident Fund	91 117	86 353
Contribution to Pension Fund	18 935	19 476
Contribution to Group gratuity fund	78 032	2 945
Provision to Leave salary	NIL	NIL
Staff Welfare Expenses	1 30 579	66 363
<b>Total</b>	<b>15 68 717</b>	<b>22 05 921</b>

**NOTE - 16. FINANCE COSTS**

(in Rs.)

<b>Particulars</b>	<b>For the Year ended 31.03.2014</b>	<b>For the Year ended 31.03.2013</b>
Interest Expense	9 57 09 571	8 60 83 998
<b>Total</b>	<b>9 57 09 571</b>	<b>8 60 83 998</b>

**NOTE - 17. OTHER EXPENSES**

(in Rs.)

<b>Particulars</b>	<b>For the Year ended 31.03.2014</b>	<b>For the Year ended 31.03.2013</b>
Rent	3 72 000	3 76 000
Insurance	669	8 861
Donation/contribution to political parties/for a political purpose & others	NIL	NIL
Payment to statutory auditors		
- As Auditors	33 708	33 708
- For Tax Audit	16 854	16 854
- For Certification/Limited Review	NIL	NIL
- reimbursement of expenses (out of pocket expenses)	NIL	NIL

**NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS**

		(in Rs.)
Legal, Professional and consultancy charges	4 24 803	1 09 554
Travelling and conveyance	1 43 244	1 40 579
AGM Expenses	1 23 817	1 35 877
Directors' fees	14 000	20 000
Service Tax Paid	58 834	NIL
Investments written off	41 500	NIL
SFVM written off	4 061	NIL
Others	3 83 913	5 34 330
<b>Total</b>	<b>16 17 403</b>	<b>13 75 763</b>

**NOTE - 18. Addition/Withdrawal of provisions and contingencies**

(in Rs.)

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Housing loans	(5 41 726)	(6 02 411)
Project loans	(10 98 698)	(14 94 508)
Inter corporate deposits	70 000	1 80 684
Investments	(64 851)	91 089
	<b>(16 35 275)</b>	<b>(18 25 146)</b>

## NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS

### NOTE - 19

#### ACCOUNTING POLICIES:

**a) Method of Accounting**

The Company accounts have been prepared under historical cost convention on an accrual basis and comply with the accounting standards referred to section 211(3C) of the Companies Act, 1956.

**b) Income Recognition and Prudential Norms**

The Company follows NHB's Prudential Norms for recognition of Income and Provisioning for Non Performing Assets

**c) Interest on Housing Loans**

Repayment of housing loans is by way of Equivated Monthly Installments (EMI's) comprising of principal and interest. Interest is calculated every half year on the opening balance at the beginning of the respective half year/year. EMI commence once the entire loan is disbursed. Pending commencement of EMI, pre EMI interest payable is recognized every month.

**d) Investments**

Investments are classified into current investments and long-term investments. Investments are valued at lower of cost or Market value for each investment individually as per NHB guidelines in force.

**e) Fixed Assets and Depreciation**

Fixed Assets are capitalised at cost and are stated at cost less depreciation. Depreciation is calculated on written down value method at the rates prescribed in schedule XIV to the Companies Act, 1956.

**f) Retirement Benefits**

- i. Contribution to Provident Funds is made to the Regional Provident Fund Commissioner.
- ii. The Gratuity liability is covered by Trust formed under the Group Gratuity Scheme. The trust has purchased a Group Gratuity policy from LIC and the annual premium is paid through the Trust.
- iii. Liability for leave encashment is provided for on actuarial basis.

### NOTE - 20

#### NOTES ON ACCOUNTS:

- a) Housing loans excepting those loans classified as doubtful pursuant to the prudential norms of NHB are considered good and recoverable. The housing loans are secured by equitable mortgage of property and/or other securities to the extent of Rs.95,102,339/- and loans amounting to Rs.634,924/- are unsecured as on 31.03.2014. Classification of housing loans and provisions made for Non Performing assets are given below.

Particulars	Standard	Sub standard	Doubtful	Total
Individual Loans	2,269,483	66,554	72,34,129	9,570,166
Corporate Bodies			86,167,097	86,167,097
<b>TOTAL</b>	<b>2,269,483</b>	<b>66,554</b>	<b>93,401,226</b>	<b>95,737,263</b>
Provisions	Standard	Sub standard	Doubtful	Total
As on 31.03.2013		7,011	95,038,593	95,045,604
Provided during the year		2,972	-1,637,365	-1,634,393
Total as on 31.03.2014		9,983	93,401,228	93,411,211
Balance less provision	2,269,483	56,571	0	2,326,052

- b) The company has stopped accepting and renewing of deposits and not making fresh loans. The company continues to receive financial support from its promoter, Indian Bank. In view of the above and in view of the general goodwill enjoyed by the company and continued customer base, the business strength continues to remain intact. Hence the accounts have been prepared on a going concern basis.
- c) The only business activity of the company is housing finance and hence no segment reporting has been done.
- d) The unabsorbed depreciation and carry forward losses eligible for set-off against future taxable income have not been considered as deferred tax asset on the ground of prudence.



- e) There are no related party relationship/transactions requiring disclosure as per the relevant accounting standard
- f) In respect of term loan taken from Indian Bank the company has given an undertaking to the Bank not to sell, dispose off, charge or otherwise alienate any of its fixed and liquid assets without the prior consent of the Bank so long as the Company's liabilities to the Bank has not been fully repaid.
- g) Investments & Term Deposits with banks includes the following
- Investments and deposits required to be maintained as liquid assets in terms of the Housing Finance Companies (NHB) Directions 1989 as per details given below:

Amount in Rs.

Term Deposits with Banks	633,100
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- Amount received under SARFAESI action kept in no lien account as per the orders of DRAT, Chennai by way of short term deposits Rs.7,500,000/-.
- h) The Income Tax Department has sent a demand notice for Rs.4.32 crores for the assessment year 1999-00 including interest. The demand is raised by considering the income on non-performing assets on accrual basis which, as per the NHB directives, could not be recognised as income. The Company has contested the demand and filed an appeal before the Hon'ble Madras High Court. In respect of the Assessment year 2005-06 Income Tax department has raised a demand of Rs.19.02 Lakhs for which the company has filed appeal before the commissioner of Income Tax and is hopeful of succeeding in the appeal and hence no provision for tax has been considered necessary.
- i) The Income tax Department has informed the above demand has been adjusted against the refund receivable with the interest thereon, for various assessment years. The refund receivable as per books of the Company is Rs.2.85 crores.
- j) Company's obligation towards Gratuity Fund and details of actuarial valuation:

	Rs.
Total past service gratuity	978,711
Actuarial value past service gratuity	978,711
Gratuity Fund with LIC	910,201
Contribution payable to LIC	68,510
Contribution paid during the year	71,711
Balance payable	Nil
Risk premium and service tax paid	3,201
Assumptions	
Discounting rate	8% p.a. compound
Projections of salary increase	8% p.a. compound

- k) Managing Director of the company is on deputation from Indian Bank and is drawing remuneration from Indbank Merchant Banking Services Ltd as President of that company. Hence no remuneration is paid by this company.
- l) Term Loan III from Indian Bank is secured by ICDs, which are considered doubtful and fully provided for in the accounts.
- m) Previous year figures have been regrouped wherever necessary to conform to current year's presentation.
- n) The figures in this balance sheet and Profit and Loss Accounts have been rounded off to the nearest rupees.

**FOR VENKAT & RANGAA**  
CHARTERED ACCOUNTANTS

**(B RAJKUMAR)**  
DIRECTOR

**(G RAJEEVAN PILLAI)**  
DIRECTOR

**S MOHAN RAAJAN**  
PARTNER

**(A DAMODARAN)**  
DIRECTOR

**(M S NATARAJAN)**  
DIRECTOR

CHENNAI  
DATE: 23.04.2014

**(BANABIHARI PANDA)**  
MANAGING DIRECTOR

**(S SELVARAJ)**  
COMPANY SECRETARY



## CASH FLOW STATEMENT FOR THE YEAR 2013-14

	2012-2013 Rs.	2013-2014 Rs.
<b>A. Cash Flow operating Activities</b>		
<b>Profit before tax</b>	-85,489,620	-92,406,993
<b>Adjustment for</b>		
Depreciation	80,122	59,358
Interest charged on Term loan	86,083,998	95,709,571
Expenses written off		
Profit on sale of assets	-48008	
Loss on write off of frunitures		4,061
Dividend on investments	-10250	-6,166
Loss on sale of Investments		41,500
Provision for contingencies	-1825146	-1,635,275
	84,280,716	94,173,049
Other current assets	-5,000	-589,552
Other current liabilities	22,973,673	22,968,673
Cash Generated from Operations	21,759,769	7,990,964
<b>Net Cash from Operations (A)</b>	<b>21,759,769</b>	<b>7,990,964</b>
<b>B.CASH FROM INVESTING ACTIVITIES</b>		
Redemption proceeds of investments		500,000
Sale of Fixed Assets	172,665	
Long term loans and advances	6,406,623	4,954,820
Short term loans and advance	-180,684	-70,000
Dividend on Shares	10,250	6,166
<b>Net Cash Flow from Investing Activities(B)</b>	<b>6,408,854</b>	<b>5,390,966</b>
<b>C.CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured Loans	-2,500,000	0
Unsecured Loans	-41,451	0
<b>Cash Flow from Financing Activities (C)</b>	<b>-2,541,451</b>	<b>0</b>
<b>Net Increase/Decrease in</b>		
<b>Cash &amp; Cash equivalent (A+B+C)</b>	25,627,172	13,381,950
<b>Cash &amp; Cash equivalents - Opening</b>	<b>8,877,715</b>	<b>34,504,887</b>
<b>Cash &amp; Cash equivalents - Closing</b>	<b>34,504,887</b>	<b>47,886,837</b>

FOR VENKAT & RANGAA  
CHARTERED ACCOUNTANTS

(B RAJKUMAR)  
DIRECTOR

(G RAJEEVAN PILLAI)  
DIRECTOR

S MOHAN RAAJAN  
PARTNER

(A DAMODARAN)  
DIRECTOR

(M S NATARAJAN)  
DIRECTOR

CHENNAI  
DATE: 23.04.2014

(BANABIHARI PANDA)  
MANAGING DIRECTOR

(S SELVARAJ)  
COMPANY SECRETARY



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# Ind Bank Housing Ltd.

Registered Office: 66 (Old No. 31) Rajaji Salai, Chennai - 600 001

## PROXY FORM

DP ID No.	
Client ID No.	

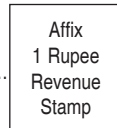
Folio No.	
No. of Shares held	

I/We \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ being a member(s) of IND BANK  
HOUSING LTD., hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ or failing him \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ as my/our Proxy to vote for me/us on my/ our behalf, at the Twenty Third Annual  
General Meeting to be held on Saturday, 27<sup>th</sup> September 2014 at 2.30 p.m. at Indian Bank Management Academy for Growth & Excellence,  
MRC Nagar, Raja Annamalaipuram, Chennai 600028 and at any adjournment thereof.

Signed this.....day of .....2014.

- Note: 1. The Proxy to be valid must be deposited at the Regd. Office of the Company  
at 66 (Old No. 31) Rajaji Salai, Chennai - 600 001 not less than 48 hours  
before the commencement of the meeting.
2. In the case of a Corporation, the Proxy shall be given under the Common  
Seal or signed on its behalf by an Attorney or officer of the Corporation.

Signature.....



# Ind Bank Housing Ltd.

Registered Office: 66 (Old No. 31) Rajaji Salai, Chennai - 600 001

## ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL

Name of the member attending.....

Name of the Proxy.....

I hereby record my presence at the Twenty Third Annual General Meeting to be held on Saturday, 27<sup>th</sup> September 2014 at 2.30 p.m. at  
Indian Bank Management Academy for Growth & Excellence, MRC Nagar, Raja Annamalaipuram, Chennai 600028.

DP ID No.	
Client ID No.	
Folio No.	
No. of Shares held	

Member's/Proxy's signature  
(To be signed at the time of handing over the slip)

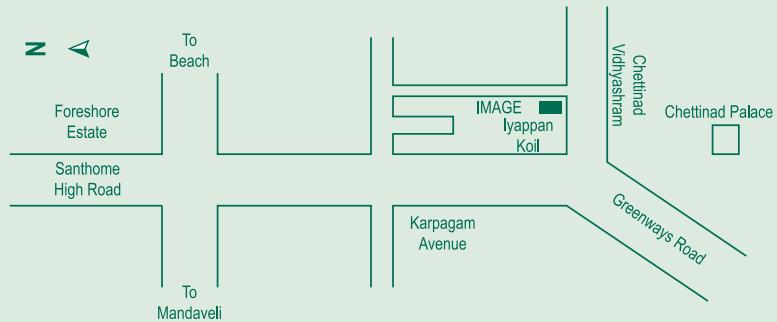
### Electronic Voting Particulars

EVSN : 140819032  
User ID and Password : Refer procedure detailed in the Notice

**NOTE: Please note that no gifts will be given at the Annual General Meeting**



Venue :  
**INDIAN BANK MANAGEMENT ACADEMY FOR  
GROWTH & EXCELLENCE (IMAGE)**



**To :**

If undelivered, Please return to :

Ind Bank Housing Ltd.

Corporate Office:

3rd Floor, Khivraj Complex-1,

480, Anna Salai, Nandanam,

Chennai - 600 035.