

Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Scrip Code- 540530

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051
NSE Symbol- HUDCO

Sub: Notice of 53rd Annual General Meeting and Annual Report for the financial year 2022-23.

Dear Sir/ Ma'am

This is to inform you that 53rd Annual General Meeting (AGM) of Housing and Urban Development Corporation Limited (HUDCO) is scheduled to be held on Thursday, the 21st September, 2023 at 12 noon (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

Pursuant to Regulation 30 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Notice of the 53rd AGM and Annual Report of the Company for the financial year 2022-23.

Further, in compliance of relevant circulars, the Annual Report for the financial year 2022-23 comprising of Notice of 53rd AGM is being sent to all the members of the Company electronically whose email addresses are registered with their Depository Participant/ RTA.

The copy of AGM Notice and the Annual Report are also available on the website of the Company at www.hudco.org.in

This is for information and dissemination.

धन्यवाद

भवदीय

फॉर हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड

हरीश कुमार शर्मा

हरीश कुमार शर्मा

कंपनी सेक्रेटरी एंड कंप्लायंस ऑफिसर



Housing & Urban Development Corporation Ltd . (A Govt. Of India Enterprise)

Core 7 A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110 003

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लि.(भारत सरकार का उपक्रम)

कोर 7 ए हडको भवन, भारत पर्यावास केंद्र लोधी रोड, नई दिल्ली - 110003

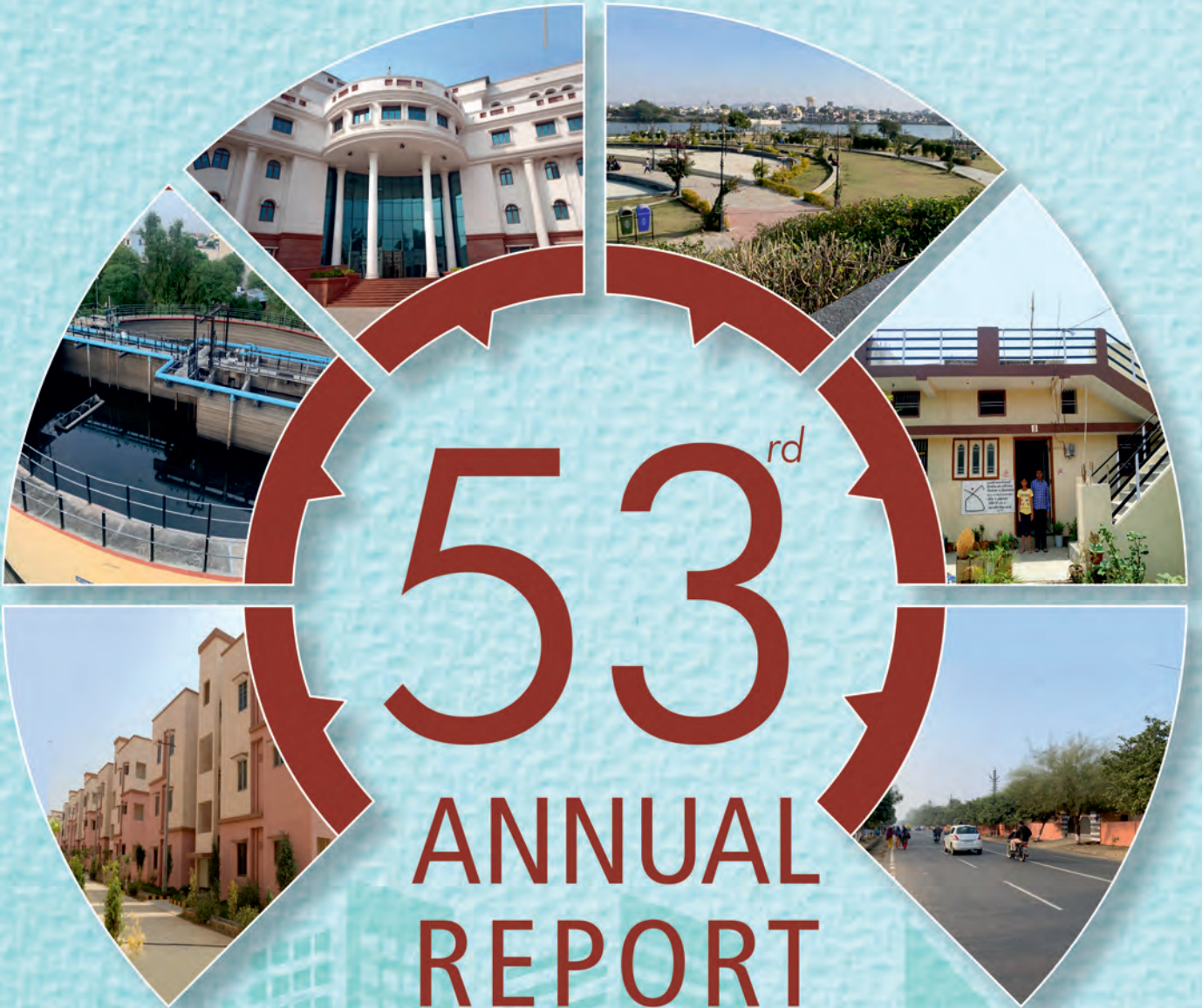
दूरभाष / Tel : 011 24649610-21 वेबसाइट / Website : www.hudco.org

सी आई एन / CIN : **L74899DL1970GOI005276** जी एस टी / GST : **07AAACH0632A1ZF**

आई. एस. ओ. ISO 9001:2015 प्रमाणित कंपनी Certified Company



Profitability With Social Justice



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



Office Building for Archeological Survey of India, New Delhi

53rd Annual Report 2022-23



HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

AN ISO 9001:2015 CERTIFIED COMPANY

CIN: L74899DL1970GOI005276

VISION

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

MISSION

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

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ANNUAL GENERAL MEETING

Date: 21st September, 2023 **Time:** 12:00 noon

E-VOTING SCHEDULE

CUT OFF DATE	START DATE	END DATE
14.09.2023	18.09.2023 09:00 a.m. (IST)	20.09.2023 05:00 p.m. (IST)

FINANCIAL HIGHLIGHTS

(₹ In Crore)

PARTICULARS	As per IGAAP		As per Ind AS					
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Revenue from Operations	3,204.81	3,498.85	4,171.36	5,547.64	7,532.12	7,234.58	6,954.08	7,049.46
Gross Income	3,302.20	3,584.84	4,234.14	5,591.22	7,571.64	7,277.73	6,997.66	7,086.18
Profit Before Tax (excluding Extraordinary and Exceptional Items)	1,072.58	1,125.76	1,408.63	1,863.21	2,174.53	2,228.64	2,345.94	2,289.41
Profit After Tax	783.79	841.81	1,010.18	1,180.15	1,708.42	1,578.58	1,716.60	1,701.62
Share Capital - Equity	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90	2,001.90
Reserves & Surplus	6,443.91	7,165.35	7,941.09	8,953.87	10,341.59	11,187.15	12,466.42	13,443.35
Shareholder's Fund	8,445.81	9,167.25	9,942.99	10,955.77	12,343.49	13,189.05	14,468.32	15,445.25
Net Worth (Average)	8,113.49	8,806.53	9,555.12	10,449.38	11,649.63	12,766.27	13,828.69	14,956.79
Total Borrowings	25,608.96	28,432.43	37,492.89	59,847.96	61,436.61	60,977.96	61,503.04	62,905.08
Loan Outstanding	35,394.94	39,390.97	49,530.27	73,325.49	76,565.44	75,786.59	76,989.92	79,236.97
Total Borrowings/Net Worth (%)	315.63	322.86	392.39	572.74	497.72	462.34	425.09	407.28
PAT/Net Worth (%)	9.66	9.56	10.57	11.29	14.67	12.37	12.41	11.38
Dividend	100.01	110.02	135.13	165.16	620.59	430.41	700.66	770.73
Dividend/PAT (%)* @	12.76	13.07	13.38	13.99	36.33	27.27	40.82	45.29
Dividend/Net Worth (%)*	1.23	1.25	1.41	1.58	5.33	3.37	5.07	5.15
Earning per share (₹) (Face value of ₹ 10/- per share)**	3.92	4.21	5.05	5.90	8.53	7.89	8.57	8.50

* Including final dividend of ₹10.01 crore approved by the shareholders in the Annual General Meeting thereby making the total dividend for the financial year 2016-2017 to ₹110.02 crore. Interim dividend for the financial year 2017-18 was ₹110.10 crore which was approved by board of directors & there was no final dividend. Including final dividend of ₹30.03 crore approved by the shareholders in the Annual General Meeting thereby making the total dividend for the financial year 2018-2019 to ₹165.16 crore. Dividend for the year 2019-20, includes interim dividend of ₹150.14 crore and final dividend of ₹470.45 crore approved by the Shareholders at the AGM, thereby making total dividend for the financial year 2019-20 to ₹620.59 crore. Dividend for the year 2020-21, includes interim dividend of ₹150.14 crore and final dividend of ₹285.27 crore to be approved by the Shareholders at the AGM, thereby making total dividend for the financial year 2020-21 to ₹435.41 crore. Dividend for the year 2021-22, includes interim dividend of ₹150.14 crore and final dividend of ₹550.52 crore to be approved by the Shareholders at the AGM, thereby making total dividend for the financial year 2021-22 to ₹700.66 crore. Dividend for the year 2022-23, includes interim dividend of ₹150.14 crore and final dividend of ₹620.59 crore to be approved by the Shareholders at the AGM, thereby making total dividend for the financial year 2022-23 to ₹770.73 crore.

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

OPERATIONAL HIGHLIGHTS

PARTICULARS	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
No. of Schemes Sanctioned	162	202	178	116	77	50	43	44	41
Loan Sanctioned (₹ In crore)	21096	30774	31861.97	38648	34452	19942	9202	20663.19	24571.98
Amount Released (₹ In crore)	8101	8250	9145	16565	31009	10122	8323	8887	8465.92
Dwelling Units									
- Total	484128	457879	271498	1548602	2068151	307277	12488	88523	349308
- % of EWS & LIG	82.95	93.68	96	99.93	94.42	99.91	58.98**	99.74	99.94%
Sanitation Units	0	0	0	0	0	0	0	0	0
Urban Infrastructure Projects	121	170	149	92	55	40	32	32	36
UI Loan Sanctioned (₹ In Crore)	13426	11984	24290.71	22878	7195.55	16123.89	8265.27	18903.82	21106.19

** Note:- Figures excluding niwas.

BOARD OF DIRECTORS



Shri Kuldip Narayan, IAS
Chairman & Managing Director (Additional Charge) and
Joint Secretary (HFA), MoHUA (w.e.f. 27.03.2023)



Shri M Nagaraj
Director
(Corporate Planning)



Shri D Guhan
Director (Finance)



Shri Satinder Pal Singh, IPS
Government Nominee Director and
Additional Secretary, MoHUA
(w.e.f. 24.04.2023)



Shri Sanjeet, IRAS
Government Nominee Director
and JS & FA, MoHUA
(w.e.f. 22.12.2022)



Dr. Ravindra Kr. Ray
Non Official (Independent) Director



Dr. Siyaram Singh
Non Official (Independent) Director



Smt. Sabitha Bojan
Non Official (Independent) Director



Shri Banshi Lal Gujar
Non Official (Independent) Director



CHAIRMAN'S MESSAGE

Dear Shareholders, Ladies & Gentlemen,

The world is witness to India's resurgent growth story. Amidst the heightened global economic uncertainty where the global growth is likely to bottom out at around 3.0 per cent in 2023-24, India continues to remain a 'bright spot' as the fastest growing economy in the world and on track to be the 3rd largest economy by financial year 2028. Though the global pandemic largely receded by the onset of financial year 2022-23, the twin impacts of geo-political tensions arising out of Russia-Ukraine war and emergence of global inflationary pressure posed hurdles and uncertainties to the global economic growth during financial year 2022-23. The interest rates were seen moving up as major central banks, including Reserve Bank of India (RBI) resorted to hiking the policy rates to combat inflation, pushing up domestic lending and borrowing rates. However, your Company successfully navigated through this uncertain business environment during financial year 2022-23, by registering overall loan sanctions of ₹24,572 crore and disbursements of ₹8,466 crore during the financial year.

I would like to share the highlights of HUDCO's performance during financial year 2022-23, vis-à-vis the economic environment, challenges faced and future outlook of the Company, which would clearly demonstrate that your Company is on a high growth path in its continued efforts for building assets for the nation.

1. Economic Environment

India's growth momentum would continue to be the fastest in the next two years as per IMF-World Economic Outlook Update Report, July 2023, with the highest growth rate of 6.1 per cent in 2023-24 and 6.3 per cent in next fiscal. As per latest data released by National Statistical Office (NSO), the estimated growth in real GDP during 2022-23 was 7.2 per cent (*Provisional estimates of national income for 2022-23, dated 31st May 2023*). Growth was supported by a visible pick-up in the services sector. The disaggregated data showed that the Q1, Q2, Q3 & Q4 GDP had grown by 13.1%, 6.2%, 4.5% & 6.1% respectively in 2022-23, particularly the Q4 growth was better-than-expected.

During the financial year 2022-23, RBI raised the policy repo rate six times between May 2022 and February 2023, from 4% to 6.5% to subdue the inflationary pressures. This resulted in a high interest regime in the domestic economy posing challenges to domestic growth prospects. Further, as per RBI's latest monetary statement (June 2023), the GDP growth is likely to be 6.5 percent this fiscal on the back of supportive domestic demand conditions. This is indicative of India's continued economic resilience and strong macro-economic fundamentals.

2. Sectoral Overview and Government Policy Initiatives

One of the key reasons for India's sustained growth is the continuous investment in real estate sector with its strong income and employment multiplier effects through 'forward' and 'backward' linkages with other industries in the economy. The Govt. of India's focus on 'infrastructure-led economic growth' is further outlined through Union Budget 2023-24, with capital investment outlay for infrastructure has been increased by 33% to ₹10 lakh crore, which is 3.3 per cent of GDP. States and cities will be encouraged to undertake urban planning reforms and actions to transform cities into 'sustainable cities of tomorrow'. Through property tax governance reforms and ring-fencing user charges on urban infrastructure, cities will be incentivized to improve their credit worthiness for Municipal Bonds. Further, similar to the RIDF, an Urban Infrastructure Development Fund (UIDF), through use of priority sector lending shortfall, has been established and being managed by the National Housing Bank, which will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities. The outlay for Pradhan Mantri Awas Yojana (PMAY) has been enhanced by 66 per cent to over ₹79,000 crore (*Union Budget speech 2023-24*).

3. Emerging Issues in Sustainable Urbanisation, Housing and Urban Infrastructure

India holds the current Presidency of economically powerful G20 countries. Adopting the Indian philosophy of "Vasudhaiva Kutumbakam". *One Earth One Family One Future*, the G20 Presidency provides a strong platform for furthering our resolve to achieve the UN Sustainable Development Goals (SDGs) within the defined timeline of 2030, particularly sustainable urbanization, resilient infrastructure development, addressing climate change, green economic growth and transformative habitat development through 5 key pillars: Finance, Technology, Inclusion, Partnerships and Capacity Building. Further, various available data and Reports, such as World Bank Report, NIP Report, etc., point towards a sustained increase in urbanisation level and consequent

increase in investment in housing and urban infrastructure sectors. The Government of India has been undertaking various policy measures for orderly & sustainable urbanisation and catalysing steady flow of investments into the housing and urban infrastructure sector. All these emerging developments have great potential for HUDCO to play catalytic roles in addressing the requirements of sustainable & transformative habitat development.

4. Operational and Financial Performance

HUDCO in its glorious journey of 53rd years, since its inception in 1970, has cumulatively, as on 31st March 2023, sanctioned a total of 17,335 housing and urban infrastructure projects with a total loan of ₹2,36,555 crore and disbursements of ₹1,96,612 crore. Further, your Company has sanctioned financial assistance to more than 196.48 lakh housing units both in rural and urban areas in the Country, of which 187.27 lakh (95.31%) pertains to EWS / LIG categories. In addition, under HUDCO Niwas, a retail lending window, your Company has cumulatively sanctioned financial assistance of ₹6,871 crore to 3.86 lakh individuals and released an amount of ₹5,178 crore.

The Operational and Financial highlights during the financial year 2022-23 are as follows:

- Under Housing sector, HUDCO has sanctioned 5 projects with a loan assistance of ₹3,466 crore, inclusive of ₹12 crore under HUDCO Niwas, thereby facilitating construction of 3,49,308 dwelling units. An amount of ₹1,838 crore has been released (inclusive of ₹9 crore under HUDCO Niwas) during the financial year.
- Under the Urban Infrastructure portfolio, HUDCO has sanctioned 36 projects with a loan assistance of ₹21,106 crore covering various sectors like Water Supply, Smart City, Transport Nagar, Social Infrastructure, Commercial Infrastructure, Road & Transport, Power, etc. Further, a release of ₹6,628 crore was made during the year in various schemes.
- HUDCO is actively participating in Government of India flagship programmes such as Smart City Mission (SCM), Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Jal Jeevan Mission (JJM), etc. In the financial year 2022-23, HUDCO has provided financial assistance of ₹170 crore for Implementation of Smart City Project at Kohima and ₹50 crore for infrastructure development work in Udaipur Smart City, Rajasthan.
- Your Company has reported total income for the financial year 2022-23 at ₹7086.18 crore (previous year ₹6997.66 crore) inclusive of other income of ₹36.72 crore (previous year ₹43.58 crore), while the Profit before Tax (PBT) for the year was ₹2289.41 crore (previous year ₹2345.94 crore) and Profit after Tax (PAT) was ₹1701.62 crore (previous year ₹1716.60 crore). During the period, your Company has maintained the pace of growth with a growth of 1.26 % in total income and marginal decline of 2.41% in Profit before Tax (PBT). Your Company has registered a growth of 6.75% in its net worth that has reached ₹15,445.25 crore in financial year 2022-23 from ₹14,468.32 crore in financial year 2021-22.
- The Board of Directors of your Company had earlier approved payment of interim dividend @ 7.50 %, i.e., ₹0.75 per equity share having face value of ₹10/- each, totalling to ₹150.14 crore on the paid-up equity share capital of the Company in March, 2023 and the same has been paid. Further, the Board of Directors have also recommended payment of final Dividend @ 31.00 %, i.e., ₹3.10 per equity share, having face value of ₹10/- each, for the financial year 2022-23, subject to approval of the shareholders at the ensuing 53rd Annual General Meeting.
- As at the end of the financial year ended 31st March 2023, HUDCO reported Gross NPA of ₹2,759.17 crore, which constitutes 3.42% of total loan portfolio. The Net NPA as on 31st March 2023 is ₹407.25 crore which constitutes 0.52% of Net loan outstanding as against MoU target of 0.35%. During the year 2022-23, an amount of ₹145.58 crore was recovered from the accounts which were in NPA as on 31.03.2022. As on 31st March 2023, Loan Overdue to Net Loan Assets ratio is 3.71% as against MoU target of 6.50%.
- During the year, HUDCO has supported projects in the North-Eastern Region, and sanctioned 9 housing and urban infrastructure schemes with loan amount of ₹279.13 crore in the States of Assam, Tripura, and Nagaland.

5. Credit Rating of HUDCO

During the financial year 2022-23, the Company's long-term domestic borrowing programme was awarded the highest credit rating of 'IND AAA/Stable', '[ICRA] AAA (Stable)' and 'CARE AAA [Triple A] Stable' by M/s India Ratings & Research (IRRPL), M/s ICRA and M/s CARE Ratings respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of 'IND A1+', '[ICRA] A1+' and 'CARE A1+ [A One Plus]', by the above-mentioned Credit Rating Agencies.

As on 31st March, 2023, HUDCO for its International Borrowing Programme continued to enjoy International Credit Rating of 'Baa3' with Stable outlook and 'BBB-' with Stable outlook, respectively, from Moody's and FITCH, International Credit Rating Agencies. Both the assigned ratings are of investment grade and are at the Sovereign ceiling and equivalent as that of our Country.

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

HUDCO as the premier techno-financial institution assists the Ministry of Housing and Urban Affairs (MoHUA) in scrutiny and inspection of sample projects / DPRs under Pradhan Mantri Awas Yojana (Urban) - Housing for All (PMAY-U) Mission prior to their

consideration by the Ministry for sanction of central assistance. As part of the above, HUDCO during financial year 2022-23, carried out site and/or desk scrutiny of 40 projects with project cost of ₹5717.37 crore & GoI assistance of ₹1504.26 crore covering 1 Affordable Housing in Partnership (AHP) project, 38 Beneficiary Led Construction (BLC) - New Construction/ Enhancement and 1 In-situ Slum Redevelopment (ISSR) project at various locations in 40 towns/ cities under 13 States/ UTs. Cumulatively up to 31st March 2023, HUDCO has carried out site and/or desk scrutiny of 595 projects for 12.37 lakh DUs with project cost of ₹57,946.06 crore & GoI assistance of ₹18,271.88 crore, covering 62 AHP projects, 511 BLC (New Construction/Enhancement) & 22 ISSR projects (inclusive of 1 ISSR – AHP project) at 431 towns/ cities under 34 States/UTs.

HUDCO, as a Central Nodal Agency (CNA), has executed Memorandum of Understanding with 91 Banks/Primary Lending Institutions (PLIs) for EWS/LIG and 87 Banks/PLIs for MIG-I and MIG-II categories. During the financial year 2022-23, HUDCO has disbursed subsidy of ₹628.43 crore to 25,718 beneficiaries under EWS/LIG category. Cumulatively, HUDCO has disbursed CLSS subsidy of ₹2635.32 crore to 1,11,955 beneficiaries, throughout the country till 31st March, 2023. Out of this, an amount of ₹2297.40 crore has been disbursed to 95,887 EWS/LIG beneficiaries, while an amount of ₹337.92 crore has been disbursed to 16,068 MIG category beneficiaries.

7. Human Settlement Management Institute (HSMI)

Human Settlement Management Institute (HSMI) of HUDCO is involved in both Research & Training activities in urban sector. The Quality Management System of HSMI complies with ISO 9001:2015. Cumulatively, HUDCO's HSMI has benefitted about 54,764 officials through 1808 training programmes from 1985-2023 and continues to provide training support for professionals as well as a forum for interaction of administrators, professionals, researchers, and others engaged with the issues of human settlement development. So far, it has provided training sponsored by Ministry of External Affairs, GoI to more than 1170 overseas participants through 51 ITEC (Indian Technical & Economic Cooperation) and 6 e-ITEC training programmes.

During financial year 2022-23, HSMI has conducted 19 training programs on capacity building, imparting training to 1138 participants which included HUDCO officials and participants from ULBs & other stakeholders on diverse subjects like 'Only One Earth – Living Sustainably in Harmony with Nature', 'Analysis of State Budgets and Generation of Business through Innovative Project Financing', Strategies for increasing HUDCO's Consultancy income, 'Stress and Anger Free Living & lifestyle', and 'Chair Yoga' etc. HSMI has also conducted 2 e-ITEC programmes sponsored by the Ministry of External Affairs (MEA), GoI, benefitting 23 overseas professionals on 'Housing for Sustainable Habitats-Policy Planning, Design and Technologies' and 'Making Cities Future Ready Smart and Carbon Neutral'. HSMI organized the 50th International Training Programme on 'Realizing the Right to Adequate Housing in the context of Habitat III New Urban Agenda - Policies, Planning and Practices' sponsored by MEA, GoI under its ITEC Programme attended by 24 delegates from 20 developing countries and the 51st ITEC training programme on "Formal solutions to Informal Settlements" attended by 25 delegates representing 19 countries. HSMI also organized CITYNET two-day on-line Training Programme for Senior and mid-level officials of Urban Local Bodies (ULBs) and HUDCO officials on 'Balancing the Budgets of ULBs - Resource Mobilisation v/s Responsibilities' attended by 80 participants.

Further, SHELTER, an ISSN-accredited publication of HUDCO's HSMI, was brought out twice in the year, April 2022 & October 2022, on the themes of 'Inclusive Housing' and 'Mind the gap: leave no one and no place behind' respectively.

8. Human Resources Management

HUDCO recognises the value of Human Resources in delivering accelerated performance and contributing to the growth of the organization. It considers human dimension as the key to Organization's success. Several initiatives for development of Human Resources to meet new challenges in the competitive business environment have gained momentum. Your Company has a team of professionals from various disciplines like finance, projects, HR, Law, IT, social sciences, etc. The guiding principle of HUDCO's Human Resource Management Policy is to ensure availability of competent, motivated, and effective workforce to facilitate achievement of its full potential at all times to achieve organizational goals.

As on 31st March, 2023, HUDCO had a workforce of 673 employees which included 214 women employees, constituting 31.79% of its total strength. Women representations have gone across various hierarchical levels. HUDCO has been complying with all the directives and guidelines issued by the Government of India regarding reservation for SC/ST/OBC/PwD/ Ex-Servicemen/ EWS.

9. Corporate Social Responsibility (CSR)

During the financial year 2022-23, an amount of ₹44,98,12,667/- was to be incurred on CSR activities, out of which CSR assistance amounting to ₹26,67,94,463/- for 19 proposals have been approved. However, no expenditure from the proposals approved during the year has been incurred, as the agencies were in process of completion of documentation, etc., and accordingly, the unspent amount has been transferred to the unspent CSR account opened in a scheduled bank and shall be spent as per provision of CSR amended rules of Companies Act. Further, during the financial year 2022-23, the Company has spent a total amount of ₹3,20,72,843/- for the ongoing projects sanctioned prior to 31st March, 2021.

As on 31st March, 2023, an amount of ₹18,30,18,204/- being the unspent CSR amount other than the ongoing CSR activities from the CSR amount allocated for the financial year 2022-23, shall be transferred to one of the funds specified in Schedule VII of the Companies Act, 2013 within the stipulated time period, i.e., on or before 30th September, 2023. Further, an amount of ₹25,87,90,596/- being the unspent CSR amount other than ongoing CSR activities as on 31.03.2022 (₹16,99,00,000/- is the unspent CSR budget of financial year 2021-22 and ₹8,88,90,596/- up to 2020-21) was transferred to 'Swachh Bharat Kosh', a fund specified in Schedule VII of the Companies Act, 2013 on 30th September, 2022 in accordance with details mentioned in Annual Report on CSR activities for financial year 2021-22.

10. Corporate Governance

HUDCO is fully committed to promote and establish a fair, transparent, and ethical system of Corporate Governance. HUDCO ensures transparency in all its operations with special emphasis on financial prudence, accountability and ensuring customers/stakeholders' satisfaction. In terms of regulation 34(3) of the SEBI (LODR) Regulations, 2015 and DPE guidelines, a report on Corporate Governance forms the part of the Directors' Report.

11. Future Outlook

The twin impacts of pandemic and Russia-Ukraine war have posed challenges to the global economic growth but India continues to remain bright spot. The key to HUDCO's growth prospect is crucially linked to the urbanisation trend of the country. India's urban population is estimated to increase from 470 million in 2021 to 600 million by 2036 which would constitute about 40% urbanisation level (World Bank Report 2022).

The Report also estimated that India's cities require a capital investment of USD 840 billion in urban infrastructure and municipal services till 2036 in 2020 prices. Further, as per National Infrastructure Pipeline (NIP) Report, total capital expenditure requirement in infrastructure sectors in India during fiscals 2020 to 2025 is projected at about ₹111 trillion, including ₹19.19 trillion for urban infrastructure projects including affordable housing projects. Thus, with continuous rise in the urbanisation levels and commensurate increase in capital investment requirement, HUDCO's potential for quantum jump in business operations augurs well.

The future outlook in terms of Government's sectoral focus and related developments have positive implications for HUDCO's medium-term and long-term strategies. Demand for housing across India continued to show resilience as reflected in NHB RESIDEX – Composite price index for 50 cities, which indicates that the prices in 50 major cities in India has been steadily increasing. The enhanced allocation for Pradhan Mantri Awaas Yojana (Urban & Rural) by 66% to over ₹79,000 crore announced in 2023-24 Union Budget will have positive effect on the housing activities in the country. It is expected that viability gap funding requirements from the state governments would gather momentum by the middle of financial year 2023-24. HUDCO being a major partner in many such housing schemes by the various state governments would stand to benefit.

Similarly, the Govt. of India's flagship programmes, AMRUT 2.0 which seeks to provide water supply to households, and Smart Cities Mission, have been allocated ₹8000 crore each in 2023-24 Union Budget. The Swachh Bharat Mission (U) has been allocated ₹5,000 crore in 2023-24. All these allocations are going to catalyse investments in the urban development sector thereby creating business opportunities for HUDCO, as it has been proactively assisting various State Governments in implementation of Government of India programmes. Health infrastructure needs a boost all over the country. HUDCO would continue to fund Social Infrastructure Projects like Health Centres, Government Hospitals, Medical Colleges etc. as the State Governments would be requiring huge funds to expand their Health Care Infrastructure. HUDCO would also give priority for funding Urban Metro Rail projects of all major cities, as the Government is keen to expand the metro network in different cities and is looking for external participation for such projects.

In order to align with the country's net zero goals, the government has adopted 'Green Growth' as one of the seven key priorities (Saptarshi) to lead India in its 'Amrit Kaal'. HUDCO is therefore poised to increase its funding to 'green economy' sectors such as green buildings, sustainable transport, water, waste management, land management and renewable energy.

Further, the 'Blue Economy' holds the promise of being the next multiplier of economic growth and well-being and therefore, the Govt's vision of New India by 2030 highlights the Blue Economy as one of the 10 core dimensions of growth. As there is need for substantial capital infusion and investment for development of ports, shipyards, Sagarmala projects and other related infrastructure projects, the blue economy opens up huge opportunities for HUDCO to substantially increase its business operation in this segment.

12. Acknowledgements

The Board of Directors of your Company acknowledges its deep sense of appreciation for the continuous support, guidance and cooperation extended by the Government of India, especially the Ministry of Housing and Urban Affairs, Ministry of Rural Development, Ministry of Finance, Reserve Bank of India, National Housing Bank, Ministry of Corporate Affairs, Department of Public Enterprises, Regulatory/Statutory Authorities and various other departments of the Central/State Governments, Stock Exchanges, Depositories, Credit Rating Agencies, Registrar & Transfer Agents, Debenture Trustee(s) and other agencies.

The Board of Directors also conveys its gratitude for the unstinting support and cooperation given by the shareholders, bondholders, public deposit holders, Bankers, Financial Institutions, Housing Boards, Development Authorities, Municipal/Local Bodies, and other stakeholders associated with the Company.

The Board of Directors also acknowledges the valuable suggestions and guidance extended by Comptroller & Auditor General of India, Statutory Auditors, Secretarial Auditors, and other professionals associated with the Company.

The Board of Directors also take this opportunity to acknowledge and appreciate the hard work and efforts put in by HUDCO employees at all levels towards achievement of the all-round growth of the Company.

Sd/-
Kuldip Narayan, IAS
Chairman & Managing Director

NOTICE

Notice is hereby given that the 53rd Annual General Meeting (AGM) of Housing and Urban Development Corporation Limited (HUDCO) will be held on Thursday, the 21st September, 2023 at 12:00 Noon (IST) at HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003 through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM) facility to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2023, along with Directors' Report, Independent Auditor's Report and comments thereupon of the Comptroller and Auditor General of India.
2. To declare final dividend @ 31% (₹ 3.10 /- per equity share) on the paid-up equity share capital of the Company for the financial year ended 31st March, 2023 as recommended by the Board and to confirm the payment of interim dividend @7.50% (₹ 0.75/- per equity share) already paid in the month of March, 2023.
3. To appoint a director in place of Shri Muniappa Nagaraj, Director (Corporate Planning) (DIN: 05184848) who retires by rotation at this Annual General Meeting, on the same terms and conditions as earlier approved by the President of India and is eligible for reappointment.
4. To authorize the Board of Directors of the Company to fix the remuneration of the Statutory Auditors of the Company for the financial year 2023-24.

AS SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (“Act”) and Rules made thereunder, read with applicable provisions/Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/ or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), the Articles of Association of the Company, Shri Satinder Pal Singh (DIN: 07490296), who was nominated as Part-time Official Director of the Company by the President of India vide order dated 24th April, 2023 issued by the Ministry of Housing and Urban Affairs, Government of India and subsequently appointed by the Board of Directors on recommendation of the Nomination & Remuneration Committee as Part-time Official Director (with effect from 24th April, 2023), in respect of whom, Company has received a notice in writing proposing his candidature for Directorship under Section 160 of the Act, be and is hereby appointed as the Part-time Official Director of the Company, liable to retire by rotation on the same terms & conditions of his appointment earlier approved by the President of India.”

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

“RESOLVED THAT

- (i) In accordance with the provisions of Section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), enabling notification(s), if any, NHB/ RBI directions on issuance of Non-Convertible Bonds/ Debentures on private placement basis and any other guidelines issued by any other regulatory authority, as may be amended from time to time, consent of the Company be and is hereby accorded to raise funds up to a maximum of ₹ 18,000 crore during a period of one year from the date of passing of this special resolution (subject to the outstanding borrowings at any given point of time not exceeding the overall borrowing limit approved by the shareholders u/s 180(1)(c) of the Companies Act, 2013 through a special resolution) by way of issue of unsecured/ secured non-convertible bonds/ debentures of the Company on private placement basis, in domestic and/ or international markets, in one or more tranches/ combinations and including the exercise of a green-shoe option (within the overall limit of ₹ 18,000 crore, as stated above), if any, at such terms as may be determined under the guidelines as may be applicable, and on such terms and conditions as may be finalized by the Board or any duly constituted Committee of the Board or such other authority as may be approved by the Board.
- (ii) For the purpose of giving effect to any Private Placement of unsecured/ secured non-convertible bonds/ debentures, the Board of Directors of the Company (the “Board”) or any duly constituted Committee of the Board or such other authority as may be approved by the Board be and is hereby authorized to do all such acts, deeds and things, as may be deemed necessary, including but not limited to determining the terms of the Issue, including the class of investors to whom the bonds /debentures are to be allotted, the number of bonds/ debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of issue, discount to issue price, listing, issuing any declaration/ undertaking or any terms and conditions of issue of Bonds, etc., required to be included in the Private Placement Offer Letter/ Offer Document/ Offering Circular and any other regulatory requirement for the time being in force.

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

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

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof) and any other applicable laws for the time being in force and subject to such other approvals, permissions, and sanctions, as may be necessary, approval be and is hereby accorded for alteration of para (12) of Clause III B of the Incidental or Ancillary Objects of the Memorandum of Association by deleting the words ‘into a partnership or’ in compliance to ‘The Housing Finance Companies (NHB) Directions, 2010’ and the amended para ‘12’ be read as under:

‘to enter into any arrangement for sharing or pooling profits, amalgamation, union of interests, co-operation, joint venture or reciprocal concession or otherwise or amalgamate with any person or company carrying on or engaged in or about to carry on or engage in any business or transactions which this Company is authorised to carry on or engage in any business undertaking or transactions which may seem capable of being carried on or conducted so as directly or indirectly to benefit this Company’.”

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

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof and any other applicable laws for the time being in force and such other approvals, permissions, and sanctions, as may be necessary, approval be and is hereby accorded for addition of Article number 39(d)(d) in the Article of Association of HUDCO, as under:

‘Subject to the provision of the applicable acts/ laws/ regulations and approval of President of India, as may be required, the debenture trustee appointed in respect of debt securities issued by the Company from time to time, shall have the right to appoint its nominee director in case of occurrence of the defaults on account of failure to service interest and/or redemption amount and/or default in creation of security or such specified defaults as mentioned under relevant debenture trust deed notified by regulatory authorities’.”

By Order of the Board of Directors

Place : New Delhi

Dated : 25th August, 2023

**Sd/-
Harish Kumar Sharma
Company Secretary**

NOTES

- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out the material facts in respect to the business under item no. 5 to 8 of the notice is annexed hereto. The relevant details, pursuant to Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/reappointment at the Annual General Meeting is also annexed;
- Pursuant to the General Circular No. 10/2022 dated December 28, 2022, together with other relevant circulars issued by the Ministry of Corporate Affairs (MCA), Government of India (collectively referred to as ‘MCA circulars’) and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 read with other relevant circulars issued by the Securities and Exchange Board of India (hereinafter collectively referred to as “the SEBI Circulars”), from time to time, companies are allowed to hold AGM through Video Conferencing (‘VC’) or Other Audio Visual Means (‘OAVM’), without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM, without the physical presence of the members at a common venue.

As the 53rd AGM of the Company is being held through VC/OAVM, hence the deemed venue of the proceedings of the 53rd AGM shall be the Registered Office of the Company, situated at HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi – 110003;

- PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/ HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM, AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE;**

4. The representatives of the members such as the President of India and/or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/Corporate members of the company intending to appoint authorised representative to attend and vote on their behalf at the AGM are requested to send a scanned certified copy (PDF/JPG format) of its Board or Governing body resolution/ Authorization letter, etc., authorizing its representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting at least 48 hours before the AGM. The said resolution/authorization letter shall be sent to the scrutinizer by e-mail through its registered e-mail address at hemantsinghcs@gmail.com;
5. In case of joint holders, the members whose name appears as the first holder in the order of names as per the Register of Members of the Company/ list of Beneficial Owners provided by National Securities Depository Limited ('NSDL')/Central Depository Services (India) Limited ('CDSL') (collectively referred to as 'Depositories') in respect of such joint holding, will be entitled to vote;
6. Pursuant to SEBI/MCA circular(s), copy of the 53rd Annual Report for the year 2022-23 along with notice of AGM containing the process and manner of remote e-voting, instruction for members for e-voting on the day of the AGM and for attending the AGM through VC/OAVM is being sent by electronic mode to all the members whose e-mail addresses are registered with their Depository Participants (DP) and/or Registrar & Transfer Agents (RTA) for communication purposes. The company shall send a physical copy of the Annual Report only to those members who specifically request for the same at cswhudco@hudco.org mentioning their Folio No. / DP ID and Client ID. The Annual Report along with notice of the AGM has been uploaded on the website of the Company at www.hudco.org.in and may also be accessed from the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and from the website of CDSL (agency appointed for providing the Remote e-voting facility and e-voting system during the AGM), i.e., www.evotingindia.com
7. Members who would like to express their views/ask questions during the AGM, may register themselves as a speaker by sending their request from their registered email address mentioning their name, Demat Account / folio number, email id, mobile number at investors.agm@hudco.org, not later than 5:00 p.m., upto 16th September, 2023. Only those members who have registered themselves as Speaker will be allowed to express their views/ ask questions during the AGM, once the floor is open for shareholders queries. The Company reserves the right to limit the number of Speakers and number of questions depending on the availability of time at the AGM.

Further, the members desirous of seeking any information/ clarification on any item(s) of business to be transacted at the meeting are requested to send their queries at investors.agm@hudco.org on or before 11th September, 2023, so that the information required/ clarification sought can be made readily available at the time of AGM;

8. In terms of Dividend Distribution Policy and DPE Guidelines, the Board of Directors has recommended a final dividend @ ₹ 3.10/- (31.00 %) per equity share of the face value of ₹ 10/- each for approval of the shareholders in the AGM. On approval/ declaration at the AGM, payment of dividend will be made subject to deduction of tax at source, to the eligible members, whose names appear as beneficial owner/member as at the end of the business hours on Friday, the 8th September, 2023, being the record date.

In addition to the final dividend as recommended above, the Board has already paid an interim dividend of ₹0.75/- (7.50%) per equity share having face value of ₹ 10/- each, in the month of March, 2023.

On approval by the shareholders, the total dividend for the financial year 2022-23 will be ₹ 3.85/- (38.50%) per equity share with total dividend payout of ₹ 770.73 crore;

The final dividend, once approved by the members in the 53rd AGM, will be paid within the stipulated time period, electronically through various online transfer modes to those members who have updated their bank account details. For members, who have not updated their bank account details, dividend warrants/ demand draft, etc., will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories, where shares are held in dematerialized mode and with the Registrar and Transfer Agent, where shares are held in physical mode.

Shareholders are requested to note that dividends, if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Shareholders/Claimants are requested to claim their dividends from the Company, within the stipulated timeline;

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

(TDS) provisions under the Income Tax Act applicable for resident and non-resident shareholders are as under:

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

Members having valid Permanent Account Number (PAN)	10% or as notified by the Government of India
Members not having PAN/ valid PAN*	20% or as notified by the Government of India
Members who have been classified as 'Specified Person' under Section 206AB of the Income Tax Act, 1961	twice the specified rate on the amount of dividend payable or as notified by the Government of India
Members submitting lower/ NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act	Rate specified in the certificate

* As per Section 139AA of the Income Tax Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and shall be liable to all consequences under the Income Tax Act and tax shall be deducted at the higher rates as prescribed under the IT Act. Shareholders who are yet to furnish their PAN to their respective Depository Participant/ RTA are requested to do so immediately.

Deduction of TDS for 'Specified person'

TDS will be deducted at twice the prescribed rate or 5%, whichever is higher on the amount of dividend payable to the resident shareholders who has:

- not filed the returns of income for both of the two assessment years relevant to the two previous years immediately before the previous year in which tax is required to be deducted/collected. Two previous years to be counted are required to be those whose return filing date under sub-section (1) of Section 139 has expired; and
- Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in each of these two previous years.

In case of non-resident shareholders or a non-resident Foreign Portfolio Investors/ Foreign Institutional Investors, the higher rate of tax as mentioned in Section 206AB of the Income Tax Act, shall not apply if such non-resident does not have a permanent establishment in India.

The Central Board of Direct Taxes (CBDT) has prescribed the functionality for determining whether a person fulfils the conditions of being a 'Specified Person' or not. Accordingly, the Company will verify from the above functionality provided by CBDT whether any shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.

No tax shall be deducted on the dividend payable to:

- Resident Individual Shareholder, if:
 - the amount of total dividend payable by the Company during financial year 2023-24 does not exceed, in the aggregate, ₹ 5,000/-; and
 - In cases where the Shareholder provide Form 15G (Form 15H for individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document required under the IT Act.

b) Other than Resident Individual Shareholder:

The shareholders hereunder:

Category of shareholder	Documents required
Insurance companies	Self-declaration that they are beneficial owners of shares held along with self-attested copy of registration certificate and PAN.
Mutual Funds	Self-declaration that they are governed by the provisions of Section 10(23D) of the Act, 1961, along with self-attested copy of PAN and SEBI registration certificate.
Alternative Investment Fund (AIF) established/ incorporated in India	A self-declaration that its income is exempt under Section 10(23FBA) of the Income Tax Act, 1961 and they are established and governed as category I or category II AIF under the SEBI Regulations along with self-attested copy of the PAN and SEBI registration certificate.
New Pension System Trust	A self-declaration that they are governed by the provisions of Section 10(44) [sub-Section 1E to Section 197A] of the Act along with self-attested copy of the PAN and registration certificate
Corporation established by or under a Central Act	Documentary evidence that the Corporation is covered under Section 196 of the Act and along with self-attested copy of the PAN and registration certificate
Other Non-individual resident shareholders	Documentary evidence along with an attested copy of the PAN of shareholders who are exempted from deduction of tax under Section 194 of the IT Act and categories who are covered under Section 196 of the Income Tax Act

- B. For non-resident shareholders:** TDS shall be at the rate of 20% (plus applicable surcharge and cess) or the Tax Treaty Rate, whichever is lower or as notified by the Government of India, on the amount of dividend payable to Foreign Portfolio Investors, Foreign Institutional Investors, and other non-resident shareholders.

For availing the benefit of Tax Treaty Rate, non-resident shareholders will have to provide the following documents complete in all respect to the Company:

- Self-attested copy of the valid PAN card allotted by the Indian Income Tax authorities or details as prescribed under rule 37BC of the Income Tax Rules, 1962;
- Self-attested copy of the Tax Residency Certificate (TRC) covering the financial year 2023-24 issued by the revenue or tax authorities of the country of which the shareholder is resident;
- Electronic Form 10F issued by the Central Board of Direct Tax. Form 10F can be obtained electronically through the e-filing portal of the Income Tax website at <https://www.incometax.gov.in/iec/foportal>;
- self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable tax treaty of financial year 2023-24;
- Self-declaration of beneficial ownership of financial year 2023-24 by the non-resident shareholder;
- Self-declaration that the non-resident shareholder is eligible to claim the benefit of the respective Tax Treaty in the financial year 2023-24;
- Any other documents as prescribed/to be prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholder.

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

In case Shareholders holding shares in multiple accounts under different status/ category under a single PAN, higher of the tax as applicable to the status in which shares are held under a PAN, will be considered on their entire holding in different accounts.

The Shareholders are requested to submit the requisite documents, for claiming exemption at nil/ concessional rate of tax, as mentioned above and as required under the IT Act, to the company at dividend.tax@hudco.org only, on or before, 10th September, 2023. No communication on tax determination/ deduction shall be entertained after 10th September, 2023, or the documents submitted at email other than specified email address as mentioned above.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy, or omission of information provided/ to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information/documents and co-operation in appellate proceedings, if any, preferred by the Company.

In the event, the dividend income as on the record date, i.e., 8th September, 2023, is assessable to tax in the hands of a person other than the registered shareholder (viz., the shares are held by a clearing member, broker, etc., on behalf of the actual beneficial owner), such registered shareholder (i.e., the said clearing member, broker, etc.) is required to furnish to the Company on or before 10th September, 2023, a declaration containing the name, address, residential status and PAN of the actual beneficial owner to whom TDS credit is to be given, and reasons for giving credit to such person. No request in this regard will be considered/entertained by the Company after 10th September, 2023.

The TDS Certificate will be e-mailed to your registered e-mail address in due course of time, post payment of dividend; Shareholders can also check Form 26AS/AIS from their e-filing accounts at income tax website;

10. In terms of Section 152 of the Companies Act, 2013, Shri Muniappa Nagaraj, Director (Corporate Planning) (DIN: 05184848) retires by rotation at this AGM and being eligible, offers himself for re-appointment. Detail as required Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, is given under 'Brief profile of Directors' under the Chapter 'Corporate Governance' in Annual Report;
11. Pursuant to Section 139(5) of the Companies Act, 2013, the Auditors of a Government Company are appointed/ re-appointed by the Comptroller and Auditor General of India (CAG) and as per Section 142 of the Companies Act, 2013, remuneration of the Statutory Auditors shall be fixed by the company in a General Meeting or in such manner as the Company in a General Meeting may determine. Accordingly, it is proposed that the members may authorize the Board of Directors of the Company to fix the remuneration and reimbursement of travelling and out of pocket expenses of the Statutory Auditors, for the financial year 2023-24;

12. As per SEBI Guidelines, it has been made mandatory for all Companies to use the bank account details furnished by the depositories for distributing dividends and other cash benefits, etc., through Electronic Clearing Service (ECS) to the investors wherever ECS and bank details are available. Members may note that their Bank Account details, as available with the records of the DP/ RTA shall be used for the purpose of remittance of dividend and other cash benefits, etc., through National Electronic Clearing Service (NECS), wherever applicable. Members should ensure that correct bank details are noted in the records of the DPs/ RTA, so that no ECS rejection takes place. Members holding shares in physical mode are requested to opt for the ECS mode to receive dividend on time in line with the Circulars;
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case shares are held in electronic form and to the RTA, in case shares are held in physical form;
14. SEBI vide circular dated 16th March, 2023, has reiterated that it is mandatory for all holders of physical securities to furnish their PAN, Nomination, contact details, Bank A/c details and specimen signatures for their corresponding folio numbers by 1st October, 2023 and linking PAN with Aadhaar by 30th June, 2023. In case a holder of physical securities fails to furnish PAN and KYC details before October 1, 2023 or link their PAN with Aadhaar within prescribed time period, in accordance with the SEBI circular dated March 16, 2023, RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the RTA/ the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

Further, in compliance of SEBI directions issued vide circular(s) dated 3rd November, 2021, 14th December, 2021 and 16th March, 2023, M/s Alankit Assignments Limited, Registrar and Share Transfer Agents (RTA), vide letter dated 24th March, 2023 (copy of which is available at website of the Company at Investors tab) advised/requested all shareholders holding shares in physical form to furnish copy of their PAN, KYC details, etc., and Nomination to the Company/ RTA at the earliest;

15. SEBI vide its circular dated 25th January, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests for Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, members are advised to get their securities dematerialized held by them in physical form, for which members are requested to make service requests by submitting a duly filled and signed Form ISR-4 and the same is available on the Company's website at www.hudco.org.in. Please note that any service request can be processed only after the folio is KYC compliant.

In accordance with Regulation 40 of the SEBI (LODR) Regulations, as amended, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to get inherent benefits of dematerialization, Members holding shares of the Company in physical form, are requested to kindly get their shares converted into dematerialized form.

Further, shareholders holding shares in physical form, in identical order of names, in more than one folio are requested to send to the RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio.

16. Members are requested to note:
 - a) Non-Resident Indian shareholder(s) are requested to inform their DP/RTA, immediately in respect of change in their residential status on return to India for permanent settlement and particulars of their bank account maintained in India with complete name, branch, account type & number and address of the Bank with PIN Code, if not furnished earlier;
 - b) As per Section 72 of the Companies Act, 2013, Members, holding shares in physical form, may avail the facility of nomination by making nomination in Form No. SH-13 as prescribed in the Companies (Central Government's) General Rules and Forms, 2013. For cancellation or variation of Nomination, Form SH-14 can be used. The Form SH-13/ SH-14 duly filled in and completed in all respect is required to be submitted to the RTA. Format(s) of nomination form(s) are available on the company's website, i.e., www.hudco.org.in. In case of shares held in dematerialized form, the nomination/change of address has to be lodged with the respective DP's; and
 - c) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time;

17. During the 53rd AGM, Members may access electronic copy of the Register of Directors and Key Managerial Personnel & their shareholding maintained under Section 170 of the Act; Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and other relevant documents and explanatory statement thereto, writing in advance to the Company on investors.agm@hudco.org stating their DP/Client ID or Folio Nos;
18. M/s Alankit Assignments Limited, RTA, is looking after the entire share related activities, like - transmission/ transposition/ dematerialization/ consolidation of shares, change of address, bank mandate, filing of nomination, dividend payment, etc. Members are requested to address all future correspondence related to share and allied matters relating thereto with RTA at the following address:

M/s Alankit Assignments Limited

Registrar and Share Transfer Agents (RTA),

Alankit Height,

4E/2, Jhandewalan Extension,

New Delhi-110055,

Email-id : rta@alankit.com,

Tel. No. : 011-4254-1234/2354-1234,

Fax No. : 011-2355-2001

Website : www.alankit.com

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

1. Pursuant to Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide members, facility to exercise their right to vote on resolution(s) proposed to be considered at the 53rd AGM by electronic means to be held on Thursday, the 21st September, 2023 at 12:00 Noon (IST), through VC/OAVM facility. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by Central Depository Services (India) Limited (CDSL);
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first serve basis as per MCA circulars. This will not include large shareholders (i.e., shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc., may be allowed to attend the AGM without restriction on account of first come first served basis; and
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining/ reckoning the quorum under Section 103 of the Companies Act, 2013.

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

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

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

- i. The remote e-voting period commences on, Monday, the 18th September, 2023 at 9:00 a.m. (IST) ends on Wednesday, the 20th September, 2023 at 5:00 p.m. (IST). During this period shareholders of the Company, holding shares either in

physical form or in dematerialized form, as on Thursday, the 14th September, 2023 ('cut-off date') may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member is not be allowed to change it subsequently;

- ii. The voting rights of members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date, i.e., 14th September, 2023 and a person who is not a member on the cut-off date should treat this notice of AGM for information purpose only;
- iii. The facility of e-voting will also be made available during the AGM and the Shareholders attending the AGM who have not casted their vote by remote e-voting and are not otherwise barred from doing so, shall be eligible to vote through e-voting system during the AGM. The shareholders who have voted/ casted their vote by remote e-voting may also attend the AGM but will not be allowed/entitled to cast their vote again.
- iv. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, on e-voting facility provided by listed companies, Individual Shareholders holding shares in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

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

Step 1: Access through Depositories CDSL/NSDL e-voting system in case of individual shareholders holding shares in demat mode.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on login icon and select New System Myeasi Tab. 2) After successful login the Easi/ Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting their vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting service providers, so that the user can visit the e-voting service providers website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL and open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' Section. A new screen will open. User will have to enter his/her User ID (i.e. your sixteen digit demat account number holding with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, user will be redirected to NSDL Depository site wherein he/she can see e-voting page. Click on company name or e-voting service provider name and he/she will be redirected to e-voting service provider website for casting his/her vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>User can also login using the login credentials of his/her demat account through his/her Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, he/she will be able to see e-voting option. Once you click on e-voting option, user will be redirected to NSDL/CDSL Depository site after successful authentication, wherein he/she can see e-voting feature. Click on company name or e-voting service provider name and he/she will be redirected to e-voting service provider's website for casting his/her vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.</p>
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no: 1800 1020 990 and 1800 22 44 30</p>

Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- v. Login method for e-voting and joining virtual meeting for physical shareholders and shareholders other than individual holding in demat form.
 1. The shareholders should log on to the e-voting website www.evotingindia.com.
 2. Click on 'Shareholders' module
 3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 character DP ID followed by 8 digits client ID,
 - c. Shareholders holding shares in physical form should enter folio number registered with the Company.
 4. Enter the Image Verification as displayed and Click on Login.

5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

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

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

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

1. The procedure for attending meeting and e-voting on the day of the AGM is same as mentioned above for remote e-voting;
2. Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as of the cut-off date, i.e., on 14th September, 2023 may follow the process as stated above; and
3. Mr. Hemant Kumar Singh, Company Secretary (Membership No. FCS: 6033) failing him Mr. Pankaj Kantha (Membership No. FCS: 10257), Partner(s) M/s. Hemant Singh & Associates, Company Secretaries in practice has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting during the AGM in a fair and transparent manner.

D. Declaration of Result

1. The Scrutinizer shall within the stipulated period of the conclusion of the AGM as provided under the applicable laws, provide a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith;
2. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company, i.e., www.hudco.org.in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the company are listed; and
3. The resolutions listed in the Notice of the 53rd AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.

E. Process for those Shareholders whose email/mobile no. are not registered with the Company/Depositories.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), scanned self-attested copy of PAN card and Aadhar Card by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
4. If you have any queries or issues regarding attending AGM and e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No.5**

Shri Satinder Pal Singh (DIN: 07490296) was appointed as Part-time Official Director, on the Board of your Company by the President of India vide Ministry of Housing and Urban Affairs (MoHUA), Government of India, Office Order No. A-42012(12)/39/2017-AA/Part (1)/E-9111623 dated 24th April, 2023, with immediate effect, until further orders. Accordingly, Board of Directors on the recommendations of Nomination and Remuneration Committee had appointed Shri Satinder Pal Singh as Part-time Official Director with effect from 24th April, 2023 on the same terms and conditions as earlier approved by President of India.

As per Section 161 of the Companies Act, 2013 read with Articles of Association of the Company, Additional (Part-time official) Director shall hold office up to the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Further, as per amended Regulation 17 of the SEBI (LODR) Regulations, 2015, approval of the shareholders for appointment of a person on the Board of Directors is required to be taken at the next general meeting.

Therefore, approval of the shareholders in the Annual General Meeting is required by way of ordinary resolution for appointment of Shri Satinder Pal Singh, as Part time Official Director on the Board of HUDCO.

The company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying the candidature of Shri Satinder Pal Singh, as Part-time Official Director of the Company. The Board of Directors of the Company has recommended for approval of the shareholders at the ensuing Annual General Meeting that Shri Satinder Pal Singh be appointed as Part-time Official Director of the Company, liable to retire by rotation, on the same terms & conditions of his appointment earlier approved by the President of India.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri Satinder Pal Singh is in any way, concerned or interested, financially or otherwise, in the proposed resolution. Your directors recommend the Ordinary resolution as set out at item no. 5 in the notice for approval by the members.

Item No.6

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

In order to meet the resource/funds requirements during one year from the date of passing of this special resolution, the Board of Directors have proposed issue of unsecured/ secured non-convertible bonds/ debentures of the Company on private placement basis, in domestic and/ or international markets, in one or more tranches/ combinations and including the exercise of a green-shoe option up to a maximum of ₹ 18,000 crore subject to the outstanding borrowings at any given point of time not exceeding the overall borrowing limit approved by the shareholders under Section 180(1)(c) of the Companies Act, 2013, in accordance with the provisions of Section 42 of the Companies Act, 2013 read together with Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), enabling notification(s), if any, NHB/ RBI directions on issuance of Non-Convertible Bonds/ Debentures on private placement basis and any other guidelines issued by any other regulatory authority, as may be amended from time to time.

Further, it is proposed to authorize the Board of Directors of the Company or any duly constituted Committee of the Board or such other authority as may be approved by the Board to do all such acts, deeds and things, as may be deemed necessary, including but not limited to determining the terms of the Issue, including the class of investors to whom the bonds/debentures are to be allotted, the number of bonds/debentures to be allotted in each tranche, issue price, tenor, interest rate, premium/ discount to the then prevailing market price, amount of issue, discount to issue price, listing, issuing any declaration/undertaking or any terms and conditions of issue of Bonds, etc., required to be included in the private placement offer letter/ offer document/offering circular and any other regulatory requirement for the time being in force.

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

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

Item No.7

HUDCO being a Housing Finance Company is being governed by regulations/guidelines of National Housing Bank (NHB)/Reserve Bank of India (RBI). As per para 32A of 'The Housing Finance Companies (NHB) Directions, 2010', Housing Finance Company cannot be a partner in partnership firms. Para (12) of Clause III B of the Incidental or Ancillary Objects of the Memorandum of Association of HUDCO contains the words 'into a partnership', which is required to be deleted to make the said object clause in consonance with 'The Housing Finance Companies (NHB) Directions, 2010'. Accordingly, it is proposed to delete the words 'into a partnership or' from the para (12) of Clause III B of the Incidental or Ancillary Objects of the Memorandum of Association. The amended clause is available in the proposed resolution of item no. 7 under the head 'Special Business' of this notice.

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

Your directors recommend the Special Resolution as set out at item no. 7 of the notice for approval of the members.

Item No.8

In terms of clause 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993 and Section 71 of the Companies Act, 2013 read together with Rule 18(3)(e) of Companies (Share Capital and Debentures) Rules, 2014, it shall be the duty of every Debenture Trustee of appoint a nominee director on the Board of the Company in the event of: (i) two consecutive defaults in payment of interest to the debenture holders; or (ii) default in creation of security for debentures; or (iii) default in redemption of debentures.

In this regard, Securities and Exchange Board of India (SEBI), vide amendments in the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, has instructed the Issuers of Non-Convertible debt securities to have an enabling article in their Articles of Association (AoA), thereby enabling debenture trustee(s) to appoint its nominee director as director on the Board of the Issuer Company.

The SEBI circular stipulates a timeline of 30th September, 2023 for insertion of the said provision in the AoA of the Issuer. In terms of Article number 39 of the HUDCO's Articles of Association, the power to appoint the Directors on the Board of HUDCO vests with the President of India, which is exercised through Administrative Ministry, i.e., Ministry of Housing & Urban Affairs, Government of India. Accordingly, requisite consent/ approval regarding the appointment of Director nominated by Debenture Trustee, shall be taken from the Administrative Ministry, as may be required, in case of occurrence of the events, if any, as stated above, on receipt of request for appointment of Nominee director from the Debenture Trustee.

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

Your directors recommend the Special Resolution as set out at item no. 8 of the notice for approval of the members.

By Order of the Board of Directors

Place : New Delhi
Date : 25th August, 2023

Sd/-
Harish Kumar Sharma
Company Secretary

Brief of Director(s) seeking appointment/ reappointment at the 53rd Annual General Meeting.

Name of Director	Shri Muniappa Nagaraj, Director (Corporate Planning)	Shri Satinder Pal Singh, Part time Official Director
DIN	05184848	07490296
Date of Birth	23.07.1967	05.07.1968
Age	56 years	55 years
Date of first Appointment to the Board	01.02.2019	24.04.2023
Relationship with Directors and Key Managerial Personnel	Not related to any Directors / Key Managerial Personnel of the Company	Not related to any Directors / Key Managerial Personnel of the Company
Shareholding in HUDCO including as a beneficial owner	Nil	Nil
Qualification	<ul style="list-style-type: none"> • Cost Accountant • Company Secretary • MBA with specialization in Finance and • CAIIB. 	<ul style="list-style-type: none"> • Bachelor degree in Civil Engineering • Post Graduate degree in Law • Master's degree in Police Management
Terms & Conditions of appointment and proposed remuneration to be paid	The terms and conditions of appointment & remuneration payable is as approved by the President of India.	The terms and conditions of appointment is as approved by the President of India. Further, he is not entitled to any remuneration/ sitting fee from the Company.
Brief Resume and Expertise in specific functional areas and experience.	Shri Muniappa Nagaraj has 32 years of vast experience in diversified fields/sectors like Housing Infrastructure Finance, Skill Development & Micro Finance in Social Sector, and International Trading, with strong fundamentals in Managerial Capabilities and e-governance for corporate sector. He has also served PEC Limited under Ministry of Commerce and Industry as its CMD and also as MD in National Safai Karmacharis Finance & Development Corp. under the Ministry of Social Justice & Empowerment. Before that, he was Director in IIFCL Projects Limited and General Manager in IIFCL under Ministry of Finance, handling portfolios of Project Finance especially Take-out Finance, Board Secretariat, Vigilance Activities, Business Development, etc.	Shri Satinder Pal Singh is an IPS Officer of 1995 batch (Himachal Pradesh cadre) and has served in senior positions in the State Government of Himachal Pradesh, including Superintendent of Police, Special Secretary in the Department of Home, and Inspector General of Police. He is currently posted as Additional Secretary, Ministry of Housing and Urban Development, Government of India and prior to this, he has served as Joint Secretary, Ministry of Shipping, Government of India.
Number of meetings of the Board attended during the financial year 2022-23	Ten	Nil, appointed on 23.04.2023 after closure of financial year.
Directorship held in other companies/ listed entities	<ul style="list-style-type: none"> • Bangalore Metro Rail Corporation Limited • National Industrial Corridor Development Corporation Limited 	Nil
Details of listed entities from which resigned in the past three years	Nil	Shipping Corporation of India Ltd ceased to be Director on 20.11.2020.
Chairmanship/memberships of the Committees of other public limited Companies.	Nil	Nil

DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present the 53rd Annual Report on the business and operations of the Company along with Audited Standalone and Consolidated Financial Statements for the year ended March, 2023

1. FINANCIAL PERFORMANCE AND HIGHLIGHTS

The important financial highlights on standalone basis for the year ended 31st March, 2023 are as under:

(₹ in crore)

Particulars	2022-23	2021-22
Revenue from Operations	7,049.46	6,954.08
Other Income	36.72	43.58
Total Income	7,086.18	6,997.66
Finance cost	4,507.08	4,532.53
Impairment on Financial instruments	(73.69)	(245.66)
Other Expenses including Employee Benefit Exp.	363.38	364.85
Total expenditure	4,796.77	4,651.72
Profit before tax	2,289.41	2,345.94
Less:		
Current tax	435.00	419.00
Deferred tax	154.19	210.58
Adjustment of tax of earlier years (Net)	(1.40)	(0.24)
Profit after tax	1,701.62	1,716.60
Other Comprehensive Income	24.74	(1.92)
Total Comprehensive Income	1,726.36	1,714.68
Balance Surplus of previous year	2.97	0.63
Amount available for Appropriation	1,729.33	1,715.31
Less: Appropriation		
Transfer to Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 and u/s 29C of NHB Act, 1987	500.00	500.00
Transfer to Debenture Redemption Reserve	280.63	331.51
Transfer to Reserve for Bad & Doubtful Debt	105.00	120.00
Interim Dividend	150.14	150.14
Transfer to Impairment Reserve	67.88	60.18
Net surplus after appropriations	625.68	553.48
Proposed final dividend	620.59	550.52
Surplus available after final dividend	5.09	2.96
EPS (Basic/Diluted) (in ₹)	8.50	8.57

During the period, your Company has maintained the pace of growth with moderate decline of 2.41% in Profit before Tax (PBT). Your Company has seen a growth of 6.75% in its net worth that has reached ₹ 15,445.25 crore in financial year 2022-23 from ₹14,468.32 crore in financial year 2021-22.

Consolidated Financial Statements

Pursuant to Section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statement (CFS) in respect of only one Joint Venture Company namely M/s Shristi Urban Infrastructure Development Limited and an appropriate

disclosure stating the reasons relating to non-consolidation of accounts of other three companies have been given in the CFS.

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

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

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

2. DIVIDEND

Your Company is consistently rewarding its shareholders by way of dividend payment. The Board of Directors of your Company had earlier approved payment of interim dividend @ 7.50 %, i.e., ₹ 0.75 per equity share having face value of ₹ 10/- each totalling to ₹150.14 crore on the paid-up equity share capital of the Company in March, 2023 and the same has been paid.

Further, the Board of Directors, have also recommended payment of final Dividend @ 31.00 %, i.e., ₹ 3.10 per equity share having face value of ₹ 10/- each for the financial year 2022-23, subject to approval of the shareholders at the ensuing 53rd Annual General Meeting.

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

As per guidelines issued by Department of Investment and Public Asset Management (DIPAM), Government of India, Company is required to pay a minimum annual dividend of 30% of Profit After Tax (PAT) or 5% of the net-worth, whichever is higher. Further, HUDCO had sought exemption from payment of dividend as per available distributable profits in place of prescribed norms stated in OM dated 27th May, 2016 issued by Ministry of Finance. DIPAM vide its OM no. 5/4/2016-Policy dated 13th January, 2017, has conveyed that empowered Committee on Management of Government Investment in CPSEs in its meeting held on 9th January, 2017, under the Chairmanship of Secretary, DIPAM, had observed that "Keeping in view the requirement to meet the statutory deductions out of the profit earned by the Company, the Committee noted that no exemption may be required by the Company under the guidelines". After analysis various financial parameters, cash flow position and available distributable profits, the Board of Directors have paid/recommended total dividend of ₹ 3.85 per share (38.50%).

3. SHARE CAPITAL

As on 31st March, 2023, the authorized share capital of the Company was ₹ 2,500 crore with issued, subscribed and paid-up equity share capital of ₹ 2,001.90 crore. The paid-up share capital comprises of promoter's shareholding of 81.81% held by the President of India through the Ministry of Housing and Urban Affairs (MoHUA) - 61.08% and Ministry of Rural Development (MoRD) - 20.73% respectively and the balance of 18.19% held by the Public. There is no change in the authorized, issued, subscribed and paid-up equity share capital of the Company during the year.

The Company has not issued any shares with differential voting right/ Sweat Equity Shares during the year under report.

Listing of securities and payment of listing fee

The securities of the Company are listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the annual listing fee for the financial year 2023-24 has been paid to the Stock Exchanges.

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

HUDCO has become a listed company in May, 2017, consequent upon disinvestment made by President of India of its equity shareholding in the Company. In compliance of the provisions of Section 124 and 125 of the Companies Act, 2013, company is not required to transfer any amount of dividend remained unpaid or unclaimed to Investor Education & Protection Fund (IEPF), as a period of 7 years has not elapsed from the date it became due for payment. Accordingly, no shares and unclaimed dividend were transferred to IEPF account.

4. MEMORANDUM OF UNDERSTANDING (MoU)

HUDCO enters into an annual MoU with its Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India, wherein, macro performance parameters, mainly financial and a few non-financial with annual targets are set by the Department of Public Enterprises (DPE). Your Company was rated 'Good' by DPE for its performance in terms of MoU

parameters for the financial year 2021-22. Despite being a COVID year, HUDCO exhibited resilience by striving hard and navigating through the multifarious business challenges that it faced and attained its potential performance

For the financial year 2022-23, there were 12 MoU parameters and the achievement on some key parameters is as presented below:-

Sl.No.	MoU Parameter	Achievement (Audited & Consolidated)
1.	Loan disbursed to Total Funds Available	92.89%
2.	Overdue Loans to Total loans(net)	3.71%
3.	Net NPA/Total loans(net)	0.52%
4.	Cost of raising funds through Bonds as compared to similarly rated CPSEs (Margin over Reuters) (in bps)	(-)4.05 bps

Based on the actual achievement against the targets set, DPE evaluates your Company. The MoU rating for financial year 2022-23 is still awaited.

5. LENDING ACTIVITIES

In the wake of the ongoing outbreak of the COVID-19 pandemic, the financial year 2022-23 witnessed gradual catching up in economic activities. Despite the alarming challenges posed by COVID-19 pandemic leading to slow economic growth, HUDCO, with its prudent business policies and proactive management, could register sanctions of ₹ 24,572 crore and disbursement of ₹ 8,466 crore against the previous year sanctions and release of ₹ 20,663 crore and ₹ 8,887 crore respectively.

HUDCO in its glorious journey of 53rd years, since its inception in 1970, has cumulatively sanctioned a total of 17,335 housing and urban infrastructure projects with a total loan of ₹ 2,36,555 crore and disbursements of ₹ 1,96,612 crore. Further, your Company has sanctioned financial assistance to more than 196.48 lakh housing units both in rural and urban areas in the Country, of which 187.27 lakh (95.31%) pertains to EWS / LIG categories.

In addition, under HUDCO Niwas, a retail lending window, your company has cumulatively sanctioned financial assistance of ₹ 6,871 crore to 3.86 lakh individuals and released an amount of ₹ 5,178 crore.

Housing Operations

Under Housing sector during the year under review, HUDCO has sanctioned 5 projects with a loan assistance of ₹ 3,466 crore, inclusive of ₹ 12 crore under HUDCO Niwas, thereby facilitating construction of 3,49,308 dwelling units. Loan release for an amount of ₹ 1,838 crore (inclusive of ₹ 9 crore under HUDCO Niwas) has been made during current year.

Urban Infrastructure Lending

Under the Urban Infrastructure portfolio, HUDCO has sanctioned 36 projects with a loan assistance of ₹ 21,106 crore covering various sectors like Water Supply, Smart City, Transport Nagar, Social Infrastructure, Commercial Infrastructure, Road & Transport, Power, etc. Further, a release of ₹ 6,628 crore was made during the year in various schemes.

HUDCO is actively participating in Government of India flagship program such as Smart City Mission, Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Jal Jeevan Mission etc.

In the Financial Year 2022-23, major projects sanctioned under:

Housing - HUDCO supported the PMAY(U) flagship programme of Gol by providing viability gap funding towards State's share in the state of Chhattisgarh. HUDCO provided financial assistance of ₹ 2,385 crore for construction of 63,246 DUs under Affordable Housing Project (AHP) and 2,56,880 DUs under Beneficiary-Led-Construction (BLC) vertical totalling 3,20,126 DUs covering 28 districts and 169 ULBs. Besides the aforesaid mentioned scheme, HUDCO had also sanctioned a scheme for loan amount of ₹ 1,000 crore to Telangana Housing Board (THB) to construct 28,979 DUs (22,772 DUs in Rural areas and 6,207 Units in Urban Areas under PMAY flagship programme of Gol in the State of Telangana. The units are proposed with a total plinth area of 560 sqft. with a provision for living room, two bed rooms, kitchen, toilets and wash area, etc.

Core Infrastructure - HUDCO is actively participating in Government of India prestigious flagship program of Smart City Mission and AMRUT. In the FY 2022-23, HUDCO has provided financial assistance of ₹ 170 crore for Implementation of Smart City Project at Kohima and ₹ 50 crore for Infrastructure Development work in Udaipur Smart City, Rajasthan. The other major project sanctioned in the financial year was water conservation schemes at various Districts of Maharashtra (Loan ₹ 3,500 crore) and Construction of various infrastructure development works in ULBs in Rajasthan (Loan ₹ 2,235 crore). HUDCO has also provided loan assistance for JP Ganga Path, Phase-2 in Bihar (Loan ₹ 541 crore), Infrastructure facilities for EWS Housing

units under PMAY-HFA (Urban), Phase-II, in the State of Andhra Pradesh (Loan ₹ 750 crore), Construction of 4 lane elevated corridor Patna, Bihar (Loan ₹ 275 crore), etc.

The Ganga Driveway Project popularly known as “J.P. Ganga Path” (Digha to Didarganj) at Patna, Bihar is a landmark project to reshape the local transport network and improve its efficiency in the capital city of Bihar. The embankment road of 2.90 Km was proposed to be replaced with elevated structure alongwith strengthening of two approach road. This 4-lane expressway will reduce the travel time between Digha (Patna- West) to Didarganj (Patna-East) from 2 hours to just 25 minutes. The project is in advance stage of implementation.

The project, “Construction of various infrastructure development works in ULBs in Rajasthan” with financial assistance of ₹ 2,235 crore aims to improve the infrastructure facility and provide basic civic amenities across all ULBs in the State of Rajasthan by undertaking various infrastructure works such as road upgradation, sewerage, drainage works, construction of Faecal Sludge Treatment Plants, Town Halls, Bio-Methanation Bottling Plants, beautification works, etc.

Power & Transport Sector - HUDCO sanctioned Land Acquisition scheme for Jalna-Nanded Expressway Connector to Hindu Hriday Samrat Balasaheb Thackeray Samruddhi Mahamarg to Maharashtra State Road Development Corporation (MSRDC) for a loan amount of ₹ 2,140 crore. The proposed road starts at Jalna on Samruddhi Expressway, traverses Southwest through Jalna, Parbhani & Nanded Districts and ends on Telangana – Nanded – Degloor National Highway No. 161 with overall project corridor length of 179.772 Km. The proposed alignment passes through 88 villages & 8 Talukas of 3 districts of Jalna, Parbhani & Nanded districts.

HUDCO has also sanctioned a scheme for improvement of power distribution network to TANGEDCO, with a loan amount of ₹1,000 crore, which will reduce distribution losses, increased metering efficiency, etc., thereby improvement in revenues of TANGEDCO. The proposed scheme is comprising of procurement of Distribution Transformers of various capacity ranging from 63 KVA to 500 KVA and procurement of Three Phase static bi directional energy meters for Solar Net Metering Accurate Measurement of energy consumption.

Social Infrastructure - HUDCO had sanctioned ₹ 2,000 crore to Kerala Infrastructure Investment Fund Board (KIIFB) for improving the medical infrastructure in the State and out of which an amount of ₹ 1,000 crore has been released. The sanctioned project is for providing/improving the infrastructure facilities in 26 Govt. Hospitals scattered throughout the State. The project envisages construction of new hospital blocks, modernization of existing facilities and creation/upgradation of required infrastructure facilities. Out of the 26 projects, construction of new buildings & development of infrastructure facilities are proposed in 19 projects, a combination of construction of new buildings, extension/renovation and development of infrastructure facilities are proposed in 6 projects and only development of infrastructure facilities is proposed in one project.

HUDCO's role in Government of India scheme(s) – for promoting Housing for All & Urban Development

HUDCO as the premier techno-financial institution assists the Ministry of Housing and Urban Affairs (MoHUA) in scrutiny and inspection of sample projects / DPRs under Pradhan Mantri Awas Yojana (PMAY) – (Urban) - Housing for All (HFA) prior to their consideration by the Ministry for sanction of central assistance.

As a Resource Institution for scrutiny and inspection of sample projects/ DPRs under Pradhan Mantri Awas Yojana (PMAY) (Urban) - Housing for All Mission, HUDCO for financial year 2022-23, carried out site and/or desk scrutiny of 40 projects for 1.00359 lakh dwelling units with project cost of ₹ 5717.37 crore & Gol assistance of ₹ 1504.26 crore covering 01 Affordable Housing in Partnership (AHP) project, 38 Beneficiary Led Construction (BLC) - New Construction/ Enhancement, 01 In-situ Slum Redevelopment (ISSR) project at various locations in 40 towns/ cities under 13 States/UTs. Cumulatively up to 31st March, 2023, HUDCO has carried out site and/or desk scrutiny of 595 projects for 12.37 lakh DUs with project cost of ₹ 57,946.06 crore & Gol assistance of ₹ 18,271.88 crore covering 62 AHP projects, 511 BLC (New Construction/Enhancement) & 22 ISSR projects (inclusive of 1 ISSR – AHP project) at 431 towns/ cities under 34 States/UTs.



Financial Assistance under PMAY (Urban), Chhattisgarh by State Urban Development Agency (SUDA)

HUDCO, as a Central Nodal Agency (CNA), has executed Memorandum of Understanding with 91 Banks/Primary Lending Institutions (PLIs) for EWS/LIG and 87 Banks/PLIs for MIG-I and MIG-II categories.

During the financial year 2022-23, HUDCO has disbursed subsidy of ₹ 628.43 crore to 25718 beneficiaries under EWS/LIG category. Cumulatively, HUDCO has disbursed CLSS subsidy of ₹ 2635.32 crore to 1,11,955 beneficiaries, throughout country till 31st March, 2023. Out of this, an amount of ₹ 2297.40 crore has been disbursed to 95,887 EWS/LIG beneficiaries while an amount of ₹ 337.92 crore has been disbursed to 16068 MIG category beneficiaries.

Sectorial Overview and Government Initiative

Support to Economically Weaker Sections – HUDCO has made concerted efforts to reach the unreached as well as support the flagship programmes of the Government of India. HUDCO continues to address the housing requirements of weaker Sections of the society by offering financial assistance/ loan to the Economically Weaker Sections (EWS) and Low-Income Groups (LIG) segment of the society at a comparatively lower rate of interest. Further, your Company has cumulatively sanctioned financial assistance to more than 196.48 lakh housing units both in rural and urban areas in the Country, of which 187.27 lakh (95.31%) pertains to EWS/ LIG categories.

HUDCO's Support for projects in the North-Eastern Region – During the year, HUDCO has supported projects in the North-Eastern Region, and sanctioned 9 housing and urban infrastructure schemes with loan amount of ₹ 279.13 crore in the States of Assam, Tripura, and Nagaland.

Consultancy Initiatives

HUDCO provides consultancy services in the area(s) of Architectural Design & Development; Urban & Regional Planning; Appraisal, Scrutiny & Monitoring of Government Projects; and Environmental Engineering, for the housing and urban development sector, through a dedicated team of qualified and experienced professionals from diverse background such as Architects, Planners, Landscape Experts, Geographers, Engineers, Valuers, GIS Expert, and other allied professionals that form the core team. The Regional Offices of HUDCO, having their presence in all state capitals, add to HUDCO's versatility and outreach of Consultancy works. HUDCO's Construction and Consultancy Wing, along with the Regional Offices of HUDCO, not only generated fee-based income providing unique design concepts while remaining responsive to its client's diverse requirements but also contributed towards branding HUDCO as a nationally recognized premier techno financial institution.

Post COVID -19 pandemic, works were restricted to a few niche areas, while work continued on the prestigious assignments having long gestation periods; which included providing consultancy services for the construction of a Housing Complex for Tripura Tribal Areas Autonomous District Council (TTAADC) at Tripura and the 'Vertical Housing Colony: Shehjar Apartments at Bemina, Srinagar', and the Integrated Master Plan for Rajgir Regional Planning Area and Nalanda Mahavihara World Heritage Site in the state of Bihar being prepared on the GIS platform. HUDCO Bangalore RO has undertaken consultancy assignment for obtaining Environment Clearance for the project 'Construction of HAL staff quarters-Type A, B & C in Bangalore, while Chennai HUDCO RO, through Puducherry Development Office has been involved in preparation of DPR for 'Comprehensive EWS Housing Layout at Kumaraguru Pallam - Puducherry', Master Plan of Thirunallar Town Development Plan, Ph-II, Development of Queue Complex for Arulmighu Mariammam Temple Samayapuram, Spiritual Circuit in the UT of Puducherry, and, DPRs for: i) Identified three lakes at various locations in Puducherry; ii) Development of Arikamedu as tourism destination in Puducherry; and, iii) Residential school and Marriage hall.

HUDCO is an empanelled institution for Independent Appraisal of Integrated Management Plans (IMPs) under the National Plan for Conservation of Aquatic Ecosystems (NPCA), a centrally sponsored scheme being implemented by the Ministry of Environment Forest & Climate Change (MoEF&CC). During the financial year 2022-23, as part of Environment Engineering Consultancy, HUDCO carried out appraisal of Integrated Management Plans for five wetlands across India, namely; Gurudongmar Wetland Complex (Sikkim), Keetham Wetland (Agra, Uttar Pradesh), Patna Wetland (Etah, Uttar Pradesh), Saman Wetland (Mainpuri, Uttar Pradesh) and Sarsai Nawar Wetland (Etawah, Uttar Pradesh) with a total estimated project cost of about ₹ 21 crores. Further, three more IMPs from MoEF&CC, namely; Thol Wetland IMP (Gujarat), Sultanpur National Park IMP (Haryana), and Bhindawas Wildlife Sanctuary IMP (Haryana) for appraisal under NPCA, are under progress.

AWARDS: HUDCO Consultancy's other Promotional Works

HUDCO's consultancy plays a significant role in information dissemination, and, increasing awareness about HUDCO's role in urban development and about Gol's flagship programs focusing on housing and sustainable urban development through Exhibitions and Awards instituted to encourage and appreciate the valuable contribution of the urban professionals towards sustainable habitats, and thereby, creating awareness on excellence in design, sustainable housing, and urban development.

HUDCO as in previous years, engaged with the young upcoming professionals/ students of Architecture and Planning, supporting activities of the National Association of Students of Architecture (NASA). HUDCO-NASA Design Trophy 2023 theme "Housing solution for Native Communities: Moving Towards a 'Developmentalist' Paradigm" in line with the Gol's efforts to bring the tribal people into the mainstream of society, focused on housing solutions for the indigenous people, who have on account

of; rapid urbanization, increasing pressure placed on natural resources, focus on environmental conservation, etc., suffered grave injustices.

The HUDCO DESIGN AWARDS-2022-23, aimed at encouraging and appreciating the creative and innovative thinking put in by the professionals to make our cities sustainable and more liveable, and invited entries under five categories, viz; Cost Effective Rural/ Urban Housing Deploying Innovative/ Emerging and Disaster Resistant Technologies, New and Innovative Town Design Solutions/Eco-cities, Conservation of Heritage, Green Buildings and Landscape Planning & Design. All the winning entries for these two Awards, for wide dissemination, are brought out as e-publications.

6. FINANCIAL REVIEW

(i) Accounting Policies

During the year under report, your company has not made any modification/ additions in the existing accounting policies.

(ii) Income from Operations and Profitability

Your Company has reported total income for the financial year 2022-23 at ₹ 7086.18 crore (previous year ₹ 6997.66 crore) inclusive of other income of ₹ 36.72 crore (previous year ₹ 43.58 crore), while the Profit Before Tax (PBT) for the year was ₹ 2289.41 crore (previous year ₹ 2,345.94 crore) and Profit After Tax (PAT) was ₹ 1701.62 crore (previous year ₹ 1,716.60 crore). Total comprehensive income for the year was reported at ₹ 1726.36 crore (previous year ₹ 1,714.68 crore).

(iii) Non-Performing Assets

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

As at the end of the financial year ended 31st March, 2023, HUDCO reported Gross NPA of ₹ 2,759.17 crore, which constitutes 3.42% of total loan portfolio. The Net NPA as on 31st March 2023 is ₹ 407.25 crore which constitutes 0.52% to Net loan outstanding as against MoU target of 0.35%. During the year 2022-23, an amount of ₹ 145.58 crore was recovered from the accounts which were in NPA as on 31.03.2022. As on 31st March 2023, Loan Overdue to Net Loan Assets ratio is 3.71% as against MoU target of 6.50%.

As on 31st March, 2023, out of HUDCO's total loan book pertaining to Project loans of ₹ 80,503.60 crore, Government Agencies constitute 97.03% of the above loan, i.e., ₹ 78,113.25 crore while Private Sector constitutes 2.97%, i.e. ₹ 2,390.35 crore. In the case of loans to Government Sector (Project loans), the Gross NPA is ₹ 630.56 crore against loan portfolio of ₹ 78,113.25 crore and provision of ₹ 239.85 crore has been made towards NPA, whereas, in Private Sector (Project loans), the Gross NPA is ₹ 2,110.84 crore against loan portfolio of ₹ 2,390.35 crore and a provision of ₹ 2,094.30 crore has been made towards NPA. Further, HUDCO is not making any fresh sanctions to the private sector, since March, 2013. In respect of Project Loans, the Company has made a total provision on loans (Impairment) of ₹ 2,413.13 crore as per ECL Approach. Out of the above, the provision on account of loans (Impairment) against NPA (Stage - III) loans is ₹ 2,334.15 crore.

(iv) Resource Mobilization

During the year, the Company constantly diversified its borrowing portfolio to meet its operational requirements and optimize cost of funds. During the financial year 2022-23, the Company mobilized resources aggregating to ₹ 16,161 crore from domestic markets, which included ₹ 3,970 crore mobilized through issue of Unsecured, Taxable, Non-Convertible Debentures (NCDs) on private placement basis, ₹ 10,421.50 crore by way of rupee term loans from banks and ₹ 1,769.50 crore by way of short-term loan from banks. The Company's borrowing is planned taking into consideration ALM gaps, interest mismatches and the prevailing market conditions.

The Company has been identified as a 'Large Corporate' in terms of the SEBI Regulations and accordingly has ensured that 25% of its incremental borrowings during the year was by way of issuance of debt securities. Further, the issue proceeds of non-convertible debt securities have been fully utilized for the purpose(s)/ objects stated in the offer

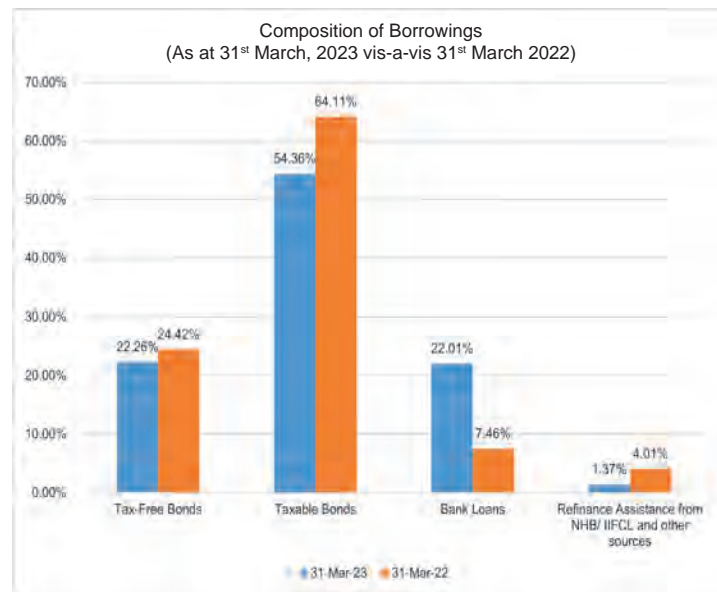
document / Information memorandum.

Further, for maintaining adequate liquidity and meeting interim operational/ contingency requirements, credit lines of ₹11,500 crore were available as on 31st March, 2023 from various scheduled commercial banks. The said facilities, for short-term funding, were available with the company, without any commitment charges towards unutilized amounts.

As a part of prudent policy, the short-term resources are suitably replaced at an opportune time with longer tenor alternate resources depending upon prevalent market conditions, internal liquidity position and actual operational requirements. The Company also reviews the fund position on daily basis and parks surplus funds in fixed deposits with scheduled commercial banks as per the board approved policy with an objective of reducing the negative carry to the extent possible.

RBI has prescribed Liquidity Coverage Ratio (LCR) framework for HFCs. These guidelines aim for maintenance of a liquidity buffer in terms of LCR by ensuring that HFCs have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for next 30 days. The Company has been complying with the said directions by maintaining sufficient liquidity buffer in the form of HQLA, as prescribed.

HUDCO has a diversified funding profile with sources including tax-free bonds, taxable bonds, refinance from NHB, bank loans, commercial papers, and foreign currency borrowings. As on 31st March, 2023, HUDCO's overall borrowings stood at ₹ 62,905.08 crore, which comprised of long-term borrowings of ₹ 61,135.58 crore and short-term borrowings of ₹ 1,769.50 crore. Further, as on 31st March, 2023, the long-term borrowings to Net worth, stood at 3.96 times, as against 4.09 times as on 31st March, 2022. The composition of outstanding borrowings as on 31st March, 2023 vis-à-vis 31st March, 2022 are as under:



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

Domestic

During the financial year 2022-23, the Company's long-term domestic borrowing programme was awarded the highest credit rating of 'IND AAA/Stable', '[ICRA] AAA (Stable)' and 'CARE AAA [Triple A]; Stable' by M/s India Ratings & Research (IRRPL), M/s ICRA and M/s CARE Ratings, respectively. The Company also got its short-term borrowing programme rated, obtaining the highest rating of "IND A1+", '[ICRA] A1+' and 'CARE A1+ [A One Plus]', by the above-mentioned Credit Rating Agencies.

International

As on 31st March, 2023, HUDCO for its International Borrowing Programme continued to enjoy International Credit Rating of 'Baa3' with Stable outlook and 'BBB-' with Stable outlook, respectively, from Moody's and FITCH, International Credit Rating Agencies. Both the assigned ratings are of investment grade and are at the Sovereign ceiling and equivalent as that of our Country.

(vi) Cost of Borrowings

The overall weighted average cost of resources raised during the year was 7.46% p.a. and for borrowings outstanding as on 31st March, 2023 is 7.71% p.a. (7.43% p.a. as on 31st March, 2022). The weighted average incremental cost of borrowing through taxable bonds/ debentures, worked out to 4.05 bps lower than the Reuters Benchmark Yield of 'AAA' Rated CPSEs of equivalent tenor prevailing at different points of time when the borrowings were made during the course of the year, thereby enabling achievement of Excellent category MoU target for cost of borrowings. As a result, the Company was able to deliver debt financing for various Housing & Infrastructure projects, spread across the Country, at competitive rates.

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

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

The Directors are pleased to report that during the year under review, the Company successfully redeemed bonds/ debentures and discharged its other debt obligations amounting to ₹14,769.40 crore in an efficient manner, without a single instance of delay or default in debt servicing. These included Bonds/ Debentures valued at ₹10,236.19 crore, Term Loans/ Short-Term loans from Banks and financial institutions worth ₹4,464.04 crore, foreign currency loans availed from Multilateral Agencies aggregating to ₹66.98 crore and public deposits of ₹2.19 crore. The Company is set to honour scheduled obligations towards redemption of Bonds and other long term debt obligations amounting to around ₹9,113 crore during the next fiscal.

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

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

(viii) Unclaimed amount under HUDCO Bonds

An amount of ₹ 13,37,29,791 (inclusive of interest amount of ₹ 9,42,19,791) in respect of 3351 bondholders has remained unpaid as on 31st March 2023 as the same has not been yet claimed by the bondholders.

The details of amount remaining unclaimed are as under:

Financial year	Principal			Interest			Total Amount (₹)
	Amount (₹)	No. of holders	No. of NCDs	Amount (₹)	No. of holders	No. of NCDs	
2022-23	3,95,10,000	141	37,035	9,42,19,791	3351	11,24,904	13,37,29,791
2021-22	26,00,000	4	26	10,19,44,131	3572	11,04,516	10,45,44,131

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

In respect of Bonds, the company in terms of SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendments) Regulations 2021 dated 7th September, 2021, is presently transferring principal and/or interest, or both (if any) which remains unclaimed for 7 years from the date of payment to Investor Education and Protection Fund (IEPF) constituted in terms of Section 125 of the Companies Act, 2013.

During the Financial year 2022-2023, an amount of ₹1,87,14,668/- has been transferred to IEPF on account of Bonds, as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendments) Regulations 2021 dated 7th September, 2021.

(ix) Dematerialization of Bonds

During the financial year 2022-23, HUDCO has issued Unsecured, Taxable Bonds/ Debentures in dematerialized form only. With this, all Taxable Bonds/ Debentures, issued by the Company and outstanding as on 31st March, 2023 are in dematerialized form only. The Company has made necessary arrangement with NSDL and CDSL for issue of bonds in

dematerialized form. The company has also appointed Registrar & Transfer Agents (RTA) for maintaining the continuous electronic connectivity with NSDL/CDSL and investors.

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

(x) HUDCO Public Deposit Scheme

HUDCO, being a Housing Finance Company registered with National Housing Bank (NHB) is governed by the provisions of Housing Finance Companies Directions (NHB/RBI), relating to Public Deposits.

HUDCO had discontinued accepting / renewing Public Deposit under the Public Deposit Scheme w.e.f. 1st July, 2019, accordingly, during the financial year 2022-23, no fresh deposits were accepted/renewed by HUDCO. Deposits of ₹2.19 crore were matured/paid to 115 depositors in the financial year 2022-23. The total amount outstanding under HUDCO Public Deposit Scheme was ₹1.71 crore from 53 depositors as on 31st March, 2023

(xi) Unclaimed amount under HUDCO Public Deposit Scheme

As on 31st March, 2023, deposit(s) amounting to ₹ 19,22,752/- (inclusive of Principal and Interest) from 17 depositors remains unclaimed.

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

During the financial year 2022-23, an amount of ₹ 1,12,548/- remained unclaimed for more than seven years from the date of maturity and was transferred to the 'Investor Education and Protection Fund' (IEPF), as per the provisions of the Companies Act, 2013 and rules made thereunder.

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

At the close of the financial year 2022-23, the total resources of your Company stood at ₹ 80,970.96 crore. Out of this, Equity Share Capital amounted to ₹ 2,001.90 crore, Reserves & Surplus stood at ₹ 13,443.35 crore, Loans from Financial Institutions, Commercial Banks, Multilateral Institutions, Public Deposits and Market Borrowings through Bonds accounted for ₹ 62,905.08 crore, Deferred Tax Liabilities (Net) amounted to ₹ 1006.12 crore and other liabilities & provisions stood at ₹ 1,614.51 crore. These funds were deployed as Long/Short Term Loan & Advances of ₹ 79,236.97 crore, Fixed Assets (net of depreciation) of ₹ 109.36 crore (including capital work-in-progress, Intangible Assets under development and Intangible Assets), Investments of ₹ 631.37 crore, Cash & Bank Balances of ₹ 68.85 crore and other assets of ₹ 924.41 crore.

7. RISK MANAGEMENT IN HUDCO

In compliance with the directions given by National Housing Bank, HUDCO has in place Risk Management Policy and Operating Manual through which it reviews and assess significant risks on a regular basis to ensure that there is a robust system of risk controls and mitigation. Major risks identified for your company, being in lending operations, are credit risk, operational risk, liquidity risk, market risk, interest rate risk and foreign currency risk, etc. Your Company has a well-structured robust Risk Management Policy and Operating Manual in line with its objectives to address the various risks.

In compliance with the SEBI (LODR) Regulations, 2015, your Company has in place a Board level Committee under the nomenclature 'Risk Management Committee' (RMC) headed by a Non-Executive Director, which reviews various decisions/recommendations of the three sub-committees namely: -

- Assets & Liabilities Management Committee (ALCO);
- Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

Assets and Liabilities Management (ALCO) Committee reviews the liquidity risks and ensures management of Assets and Liabilities mismatches through liquidity gap analysis, interest rate sensitivity analysis. The Assets Liabilities mismatch, if any, are being managed through the committed Bank lines, within the permissible limits as per NHB guidelines. During the year, 17 meetings of ALCO were held.

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

Operational Risk Management Committee (ORMC) oversees and ensures the mitigation of operational risk both internal as well as external, like Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk, etc., to which your company is susceptible by establishing & strengthening internal control systems and procedures and by providing adequate training to the employees. During the year, 3 meetings of the ORMC were held.

With the prudent policies and professional approach of the management, HUDCO has been successful in mitigating various risks, briefly described as under: -

- a) **Operational Risk:** To manage the operational risks both internal as well as external associated with the operations of the Company like technology risk, employee risk, capital asset risk, external risk, compliance risks viz. external fraud, legal risk, etc., your Company has established a strong reporting and monitoring mechanism. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational Risk Factors and Key Risk Indicators (KRIs) from Regional Offices/ departments which are further reviewed and analyzed for mitigation of operational risk.
- b) **Credit Risk:** To manage credit risks associated with business, your Company has in place a strong and effective credit appraisal mechanism containing comprehensive appraisal techniques/ guidelines ensuring timely repayments of principal & interest amount.
- c) **Liquidity Risk:** For management of liquidity risk, your Company has effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, term loans, etc., and the mismatch in the Asset and Liabilities, if any, are managed through the committed Bank lines.
- d) **Market Risk:** The various market risks arising from fluctuations in interest rates and foreign currency exchange rates are periodically reviewed by the Company. Further, based on cost of funds and market scenario, the lending rates are determined. The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.
- e) **Foreign Currency Risk:** The Company has a Foreign Currency Risk Management policy for mitigation of risks associated with Foreign Currency fluctuations. To cover the risks associated with exchange rate and interest rate, your Company has entered into hedging transactions. As on 31st March, 2023, the total foreign currency liabilities are USD 10.75 million (INR 74.96 crore) and JPY 24.678 million (INR 1.53 crore) and 20.30% of the foreign currency exchange rate risk is covered through hedging instruments.

8. JOINT VENTURE, ASSOCIATE AND SUBSIDIARY COMPANY

As on 31st March, 2023, HUDCO has three Joint Venture(s) Companies, namely, Pragati Social Infrastructure & Development Limited (PSIDL), Shristi Urban Infrastructure Development Limited (SUIDL), Signa Infrastructure India Limited (SIIL) and Associate namely Ind Bank Housing Limited (IBHL). Further HUDCO does not have any subsidiary.

HUDCO had invested ₹ 2.14 crore in the Joint venture Companies {PSIDL – ₹ 0.13 crore (26%), SUIDL– ₹ 2.00 crore (40%) and SIIL– ₹ 0.01 crore (26%)}. HUDCO has decided to exit from joint venture companies by invoking the exit clauses, as the performance of these joint ventures was not found to be satisfactory. The Company is in the process of exiting from these joint ventures, for which necessary steps are being taken. The investment in respect of PSIDL and SIIL is being shown as ₹ 1/- in HUDCO books while accounts of SUIDL are being consolidated with HUDCO accounts.

In the case of IBHL, an associate Company, HUDCO has investment of ₹ 2.50 crore which constitutes 25% of paid-up capital in Ind Bank Housing Limited. As per regulatory guidelines, HUDCO has to bring down its stake below 15%. HUDCO is striving to bring its stake within prescribed norms. Presently HUDCO is valuing its stake in Ind Bank Housing Limited at ₹ 1 only. Indian Bank along with strategic investors is proposing to infuse further capital in Ind Bank Housing Finance to revive its operations which would dilute HUDCO stake.

9. INTERNAL FINANCIAL CONTROL POLICY AND INTERNAL AUDIT

Your company has adequate Internal Financial Controls (IFC) system for ensuring, the orderly and efficient conduct of its business, adherence with the laid down policies and procedures, safeguard of assets of the Company, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information commensurate with the operations of the Company. The system also includes Risk Control Matrices and Process Flow Charts to depict the process to initiate, authorize, process, record, and report transactions; the points within the process at which misstatements could occur; and control activities that are designed to prevent or detect such misstatements including providing greater transparency to segregation of duties.

The Chartered Accountant firms appointed for carrying out Risk Based Internal Audit are also reviewing and testing the operating efficiency of existing Internal Financial Controls and found them working satisfactory and effectively during the year. Being a continuous process, appropriate steps have been taken for further strengthening the Internal Financial Control Systems.

Internal Audit

Your Company has a separate Internal Audit Department and Head Internal Audit directly reports to the Chairman & Managing Director. In order to strengthen and streamline all the auditable activities, Internal Audit of your Company is being carried out based on Risk Based Internal Audit Framework.

During the year under review, Risk Based Internal Audit of all the Regional Offices and various departments of Corporate Office were outsourced and carried out by Chartered Accountant Firms in close coordination with Internal Audit Department and by in-house internal audit team. Comprehensive Internal Audit at Regional Offices have been carried out by the Chartered Accountant firms. The significant Internal Audit observations are put up for consideration of the Audit Committee. Necessary action as per the directions of the Audit Committee is taken by the Internal Audit Department. Directions have also been issued to all concerned for adherence to the policies, guidelines, and procedures and for timely compliance of the Audit Observations.

10. INFORMATION TECHNOLOGY

HUDCO is known for its technology support apart from its financing support. HUDCO has taken many new initiatives and progressive reforms to be in the segment of market leaders. HUDCO has been very keen to use power of digital technology not only for rising in its business operations but also in secured environment maintaining transparency in line with national agenda. The initiatives already taken by HUDCO like implementation of ERP, Information Storage & Security Systems and e-office will definitely enhance its operational and financial efficiency.

11. HUDCO – AN ISO 9001:2015 CERTIFIED COMPANY

HUDCO is an ISO 9001:2015 certified Company from National Accreditation Board for Certification Bodies (NABCB)/ United Accreditation Service (UKAS) through M/s United Registrar of Systems (URS) Certification Limited. The certification is valid for its major business processes covering Project and Retail Financing Services, Resource Mobilisation for funding, Consultancy Services through the Head Office and all Regional Offices. Human Settlement Management Institute (HSMI) is also certified for Training Research & Networking. HUDCO is recertified as ISO 9001:2015 company for Quality Management System (QMS) from NABCB/UKAS through URS for these activities and the certification is valid up to 13th September, 2024.

Significant changes for improvement have been introduced in HUDCO's QMS with increased emphasis on seeking opportunities for improvement through Customer Satisfaction and Stakeholder Consultation. The organization periodically identifies and assesses risks and eliminates weakness & threats, and challenges for opening new opportunities of business with optimum allocation of its resources. QMS Auditor awareness cum audit training is being provided to officers at various Regional Offices, Corporate Office and HSMI through Internal Auditor training.

12. HUMAN SETTLEMENT MANAGEMENT INSTITUTE

HUDCO's Human Settlement Management Institute (HSMI) is involved in both Research & Training activities in urban sector. The Quality Management System of HSMI complies with ISO 9001:2015. HUDCO'S HSMI has benefitted about 54,764 officials through 1808 training programmes from 1985-2023 and continues to provide, training support for professionals and a forum for interaction of administrators, professionals, researchers, and others engaged with the issues of human settlement development. It has provided training sponsored by Ministry of External Affairs to more than 1170 overseas participants through 51 ITEC and 6 e-ITEC training programmes.

Training Activities

As part of capacity building, HUDCO's HSMI has conducted 19 training programs during the year, imparting training to 1138 participants which included HUDCO officials and participants from ULBs & other stakeholders. The programme for HUDCO officials included Webinars on diverse subjects like 'Only One Earth – Living Sustainably in Harmony with Nature', 'Analysis of State Budgets and Generation of Business through Innovative Project Financing', 'Strategies for increasing HUDCO's Consultancy income', 'Stress and Anger Free Living & lifestyle', and 'Chair Yoga' were organized for the benefit of employees including Webinar on 'Procurement through GeM' being priority of Government.



International Training Programme for overseas professionals Under MEA, ITEC

Online training programmes on 'Valuation of Real Estate' and 'Indian Accounting Standards (Ind-AS)' were conducted during the year 2022-23. 'RBI Regulatory Framework & Compliances for NBFCs' – Implications for HUDCO being very important in changing environment was also covered through Webinar. Few Webinars were also conducted for HUDCO and ULB Officials on 'Environmental Sustainability,' 'Neighbourhood Accessibility Planning and Pedestrianisation in Future Cities' and 'Urban Waste Management' during the year 2022-23.

HSMI has also conducted two e-ITEC programmes sponsored by MEA benefitting 23 overseas professionals - firstly on 'Housing for Sustainable Habitats-Policy Planning, Design and Technologies' from 10th to 12th October 2022 for 11 professionals and next on 'Making Cities Future Ready Smart and Carbon Neutral' from 7th to 11th November 2022 for 12 professionals.

HSMI organized the 50th International Training Programme on 'Realizing the Right to Adequate Housing in the context of Habitat III New Urban Agenda - Policies, Planning and Practices' sponsored by the Ministry of External Affairs (MEA), GoI under its ITEC Programme during January 9th – February 17th, 2023. This Programme was attended by 24 delegates from 20 developing countries. Subsequently, the 51st ITEC training programme on "Formal solutions to Informal Settlements" was organized from 20th March to 14th April, 2023. This Programme was attended by 25 delegates representing 19 countries.

HSMI also organized CITYNET two-day on-line Training Programme for Senior and mid-level officials of Urban Local Bodies (ULBs), and HUDCO officers on 'Balancing the Budgets of ULBs - Resource Mobilisation v/s Responsibilities' from 7th to 8th February 2023. The programme was attended by 80 participants.

Publications

SHELTER is a publication of HUDCO's HSMI, having ISSN No.2347-4912 and published twice in a year, i.e., April and October. The April, 2022 issue of Shelter was "Inclusive Housing" which was released by Shri Hardeep Singh Puri, Hon'ble Minister of Housing & Urban Affairs during the Annual day celebrations of HUDCO on 25th April, 2022. The October 2022 issue of 'Shelter' was on "Mind the gap: leave no one and no place behind" and was also released by Shri Hardeep Singh Puri, Hon'ble Minister of Housing & Urban Affairs during the World Habitat Day celebrations on 3rd October 2022, as an e-magazine.

13. HUMAN RESOURCES

HUDCO recognises the value of Human Resources in delivering accelerated performance and contributing to the growth of the organization. It considers Human dimension as the key to Organization's success. Several initiatives for development of Human Resource to meet new challenges in the competitive business environment have gained momentum. Your Company has a team of professionals from various disciplines like Finance, Projects, HR, Law, IT, etc. HUDCO has been a front runner in the area of human resource management. The guiding principle of HUDCO's Human Resource Management Policy is to ensure availability of competent, motivated, and effective workforce to facilitate achievement of its full potential at all times to achieve organizational goals.

As on 31st March, 2023, HUDCO has a workforce of 673 employees which includes 214 women employees, constituting 31.79% of its total strength. Women representations have gone across various hierarchical levels.

HUDCO has been complying with all the directives and guidelines issued by the Government of India regarding reservation for SC/ST/OBC/PwD/ Ex-Servicemen/ EWS.

14. VIGILANCE

As per CVC's circular, as a pre-cursor to Vigilance Awareness Week 2022, during campaign period from 16th August to 15th November, 2022, various housekeeping activities viz. record management, property management, disposal of complaints, management of assets, up-dation of guidelines, circular, etc., and technological initiatives were carried out. Vigilance Awareness Week was observed by the Company from 31st October to 6th November, 2022 in the Head Office as well as at all the Regional Offices. During the week, various programmes were organized at Corporate Office and at the premises of 21 Regional Offices throughout the country. The programmes were the theme centric, declared by the CVC, i.e., 'Corruption Free India for a Developed Nation'. During the year, routine and specific inspections of some Regional Offices were carried out.



Vigilance Awareness Week observed by HUDCO

15. OFFICIAL LANGUAGE

During the year, your Company has taken various initiatives for the progressive use of Hindi in official work of HUDCO. Implementing the Official Language Policy, HUDCO celebrated 'Rajbhasha Fortnight' in the month of September, 2022 in its Corporate Office and Regional Offices spread throughout the country. Rajbhasha Fortnight programme began with the inaugural function of All India Rajbhasha Conference organized at Surat on 14th September, 2022. This inaugural function and two days All India Rajbhasha Conference was attended by Director (Corporate Planning) and officials from Head Office and Ahmedabad Regional Office. During the Rajbhasha Fortnight programme, various competitions and workshops were organized.



Shri M. Nagaraj, DCP (HUDCO), received the award from Shri Ajay Mishra, Hon'ble Union Minister of State for Home Affairs, Govt. of India, on the occasion of Hindi Divas, at Surat, Gujarat

During the period under review, third sub-committee of Committee of Parliament on Official Language inspected HUDCO's Dehradun, NCR, Bengaluru, and Thiruvananthapuram Regional Offices. It is also referential to mention that the Parliamentary Committee found the satisfactory implementation of Official Language Policy in the Regional Offices. During the said period, HUDCO participated in the meeting of Hindi Consultative Committee of the Ministry of Housing and Urban Affairs, organized at Ooty on 26th August, 2022. Further HUDCO did not receive any adverse comments from the Ministry for the progressive use of Official Language in the Corporation.

16. COMPLIANCES OF VARIOUS ACTS/ GUIDELINES
Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Complaints Committee to examine the cases related to sexual harassment has in place in HUDCO. This Committee is headed by a senior woman officer of the Company for redressal of complaints, if any, related to sexual harassment as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Sexual Harassment in any form is a misconduct under HUDCO (Conduct, Discipline and Appeal) Rules.

There is no complaint pending at the beginning of the year and no complaint related to sexual harassment was received during the year.

Public Grievance Redressal Mechanism of HUDCO

HUDCO has an appropriate grievance redressal mechanism and escalation matrix for receiving, registering and disposal of grievances. HUDCO has been resolving grievances in a time bound manner. The systemic improvement has been strengthened including qualitative and quantitative improvements. The grievance system has been digitized for timely submission and disposal of grievances.

Public Grievance Redressal Mechanism of HUDCO is being followed as per the directions issued by the Government of India for Centralized Public Grievance Redress and Monitoring System (CPGRMS) portal and Grievance Registration & Information Database System (GRIDS) portal by Regulators National Housing Bank/ Reserve Bank of India respectively.

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

As per Ministry of Micro, Small & Medium Enterprises (MSME), Government of India, directions, every Central Ministry/ Departments/CPSEs are require to procure 25% of its overall procurement annually through MSME. Out of 25% target, 4% is earmarked for SC/ST and 3% for Women Entrepreneurs. During the financial year 2022-23, HUDCO has made total procurement of ₹ 15.78 crores.

In compliance of the Public Procurement Policy for Micro and Small Enterprises, issued by Government of India vide Micro and Small Enterprise (MSEs) Order, 2012, during the financial year 2022-23, HUDCO has made the procurement as per details given as under:

Sl. No.	Parameter	Procurement from MSME (out of total procurement of ₹ 15.78 crs.)	Target	Achieved
1.	Procurement of goods or services as % through MSEs	10.57	25.00%	66.99%
2.	Procurement of goods or services as % through SC/ST	0.5078	4.00%	4.80%
3.	Procurement of goods or services as % through Women Entrepreneurs	0.6718	3.00%	6.35%

Further, HUDCO has made all the payments due to MSMEs within the stipulated time period and there has been no delay.

Right to Information Act

HUDCO has been functioning in all its areas in true letter and spirit of Right to Information Act, 2005. An appropriate mechanism is in place with a dedicated centralized RTI Cell to achieve the objective of maintaining transparency in HUDCO.

During the period under report, there has not been any instance of penalties or strictures by any authority on HUDCO and HUDCO has achieved a score of 94.96% for transparency audit during the financial year 2021-22.

17. DIRECTORS' RESPONSIBILITY STATEMENT

As per requirements of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

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

18. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussions & Analysis Report, stipulated in terms of the SEBI (LODR) Regulations, 2015 and DPE guidelines, for the year ended 31st March, 2023, is annexed and forms part to the Directors' Report.

19. CORPORATE GOVERNANCE

The Corporate Governance Report as stipulated under Regulation 34(3) of the SEBI (LODR) Regulations, 2015 and DPE guidelines, together with a certificate from M/s Malhotra Arora & Associates, Company Secretaries in Practice, on compliance with the Corporate Governance norms is annexed and forms part to the Directors' Report.

20. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility & Sustainability Report, as stipulated under SEBI (LODR) Regulations, 2015, is annexed and forms part to the Directors' Report.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Chairman & Managing Director

Ministry of Housing and Urban Affairs (MoHUA), Government of India, vide order dated 22nd October, 2020 had assigned additional charge of the post of Chairman & Managing Director, HUDCO to Shri Kamran Rizvi, I.A.S., Additional Secretary, MoHUA, Gol for a period of 6 months, which has been further extended vide order(s) dated 1st July, 2021 (w.e.f. 22nd April, 2021), 6th December, 2021 (w.e.f. 22nd October, 2021) and 10th May, 2022 (w.e.f. 22nd April, 2022) for a period of 6 months each or till appointment of a regular incumbent to the post, or until further orders, whichever is the earliest. Accordingly, he ceased to be Chairman & Managing Director, HUDCO with effect from 22nd October, 2022.

Further, the MoHUA vide its order dated 27th March, 2023 has assigned the additional charge of the post of Chairman & Managing Director, HUDCO to Shri Kuldip Narayan, Joint Secretary (HFA), MoHUA, for a period of 6 months with effect from the date of his assumption of charge of the post, or till a regular incumbent join the post, or until further orders, whichever is the earliest. Shri Narayan has assumed the charge of the post of CMD, HUDCO with effect from 27th March, 2023 (F/N).

Part-time Official (Government) Director
MoHUA, Government of India:

- a) vide order dated 6th October, 2022 has conveyed cessation of Shri Shyam S. Dubey as Part-time Official Director on the Board of HUDCO, w.e.f., 4th August, 2022, however, the same is effective from 12th October, 2022, being the date of approval by the Board of Directors of HUDCO;
- b) vide order dated 18th November, 2022 has appointed Shri Ashish Upadhyaya, Special Secretary & Financial Adviser, Ministry of Power as Part-time Official Director, on the Board of Directors of HUDCO, in his capacity as Link Officer of Financial Advisor, MoHUA with effect from 18th November, 2022; and
- c) vide order dated 21st December, 2022 has appointed Shri Sanjeet, Joint Secretary & Financial Adviser, MoHUA as Part-time Official Director, on the Board of Directors of HUDCO in place of Shri Ashish Upadhyaya with effect from 21st December, 2022. The appointment of Shri Sanjeet as Part-time Official Director, on the Board of Directors of HUDCO is effective from 22nd December, 2022 being the date of allotment of DIN by Ministry of Corporate Affairs, Government of India.

In compliance with the provisions of the Companies Act, 2013 and SEBI(LODR) Regulations, 2015, approval of the shareholders regarding appointment of Shri Sanjeet, Part-time Official Director (liable to retire by rotation), as Director has been obtained through postal ballot process on 29th January, 2023.

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

After the closure of the financial year, MoHUA, Gol vide order dated 24th April, 2023 has appointed Shri Satinder Pal Singh, Additional Secretary, MoHUA, as part-time Official Director, on the Board of Directors of HUDCO in place of Shri Kuldip Narayan with immediate effect until further orders.

The Board recommends reappointment of Shri Muniappa Nagaraj, Director (Corporate Planning) and appointment of Shri Satinder Pal Singh, as Part-time Official Director for approval of the members at the 53rd Annual General Meeting, on the same terms and conditions as earlier approved by the President of India.

The Board placed on record its appreciation for the valuable services rendered by Shri Kamran Rizvi, as Chairman & Managing Director, Shri Shyam S. Dubey and Shri Ashish Upadhyaya, as Part-time Official Directors during their tenure with the Company and extended a warm welcome to Shri Sanjeet and Shri Satinder Pal Singh, newly appointed Part-time Official Directors and Shri Kuldip Narayan, as CMD, HUDCO.

During the year, all the Independent Directors have met the requirements as to their Independence, as stipulated under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and declaration in this respect has been received from them.

KEY MANAGERIAL PERSONNEL

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

Sl. No.	Name of Key Managerial Personnel	Designation
1.	Shri Kamran Rizvi	Chairman & Managing Director (Additional Charge) upto 21.10.2022
2.	Shri Kuldip Narayan	Chairman & Managing Director (Additional Charge) w.e.f. 27.03.2023
3.	Shri Muniappa Nagaraj	Director – Corporate Planning
4.	Shri D. Guhan	Director – Finance & Chief Financial Officer
5.	Shri Harish Kumar Sharma	Company Secretary & Compliance Officer

22. SECRETARIAL AUDITORS & AUDIT REPORT

In compliance of the provisions of Section 204 of the Companies Act, 2013, M/s Malhotra Arora & Associates, Company Secretaries in Practice, Secretarial Auditors have conducted Secretarial Audit for financial year 2022-23 and have in their report confirms that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines applicable to the Company and there were no qualifications, reservations, or adverse remarks except certain observations, which are self-

explanatory. The Secretarial Audit Report is annexed and forms part to the Directors' Report.

23. AUDITORS & AUDITOR'S REPORT

As per Section 139(5) of the Companies Act, 2013, the Statutory Auditors of your Company is appointed by Comptroller and Auditor General of India (CAG). M/s APRA & Associates, LLP, (regd. no. DE2438), Chartered Accountants, New Delhi has been appointed as Statutory Auditors of your Company for the financial year 2022-23 by the CAG.

M/s APRA & Associates LLP, Chartered Accountants (FRN-011078N/N500064), New Delhi, the Statutory Auditors had conducted the audit of the financial statements (both standalone and consolidated) for the financial year 2022-23 and submitted their report thereon. The comments of the Statutory Auditors on the financial statements along with management reply thereon are annexed and forms part of the report. Notes on financial statement referred to in the Auditors Report are self-explanatory.

Comments of Comptroller and Auditor General of India (CAG)

CAG vide their letter dated 4th August, 2023 has given 'NIL comments' on the audited financial statements (both standalone and consolidated) for the financial year 2022-23 under Section 143 of the Companies Act, 2013 and the same have been annexed and forms part of this report. However, they have given 3 (three) comments on the Auditors Report on Standalone Financial Statements in their report, which are self-explanatory and management has no comments to offer thereon.

24. STATUTORY DISCLOSURES

(i) Corporate Social Responsibility Committee

In accordance with the provisions of Companies Act 2013, HUDCO Board of Directors had constituted Corporate Social Responsibility Committee. As on 31st March 2023, the Committee consists of 6 members comprising of Shri M Nagaraj, as Chairman of the Committee and Shri Kuldip Narayan, Dr. Ravindra Kumar Ray, Dr. Siyaram Singh, Smt. Sabitha Bojan and Shri Banshi Lal Gujar as members of the Committee.

The extant Corporate Social Responsibility Policy of the Company is available on Company's website at the following link: <https://www.hudco.org/writereaddata/csrfpolicy.pdf>

The Annual Report on CSR activities for financial year 2022-23 indicating details of expenditure to be incurred and expenditure incurred on CSR activities during the financial year along with the reasons for not spending the entire amount allocated for CSR activities along with other information is attached with the Directors' Report.

During the financial year 2022-23, an amount of ₹ 44,98,12,667/- was to be incurred on CSR activities, out of which CSR assistance amounting to ₹ 26,67,94,463/- for 19 proposals has been approved. However, no expenditure from the proposals approved during the year has been incurred as the agencies were in process of completion of documentation, etc., and accordingly, the unspent amount has been transferred to the Unspent CSR Account opened in a scheduled bank and shall be spend as per provision of CSR amended rules of Companies Act, 2003. Further, in addition to this, during the financial year 2022-23, the company has spent a total amount of ₹ 3,20,72,843/- for the ongoing projects sanctioned prior to 31st March, 2021.

As on 31st March, 2023, an amount of ₹18,30,18,204/- being the unspent CSR amount other than the ongoing CSR activities from the CSR amount allocated for the financial year 2022-23, shall be transferred to one of the funds specified in Schedule VII of the Companies Act, 2013 within the stipulated time period, i.e., on or before 30th September, 2023.

Further, an amount of ₹ 25,87,90,596/- being the unspent CSR amount other than ongoing CSR activities as on 31st March, 2022 (₹16,99,00,000/- is the unspent CSR budget of financial year 2021-22 and ₹ 8,88,90,596/- up to 2020-21) was transferred to 'Swachh Bharat Kosh', a fund specified in Schedule VII of the Companies Act, 2013 on 30th September, 2022 in accordance with details mentioned in the annual report on CSR activities for financial year 2021-22;

(ii) Board and its Committees

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



CSR assistance for Strengthening & Restructuring of Sub-Centres of PHCs, Bavali, Kerala

(iii) Particulars of Loans, Guarantee, or Investments

The necessary disclosures with respect to loan made, guarantee given or securities provided by the Company in its ordinary course of business have not been given, since, provisions of Section 186 of the Companies Act, 2013, are not applicable to your Company, being a Housing Finance Company. The detail with respect to investments made by the Company forms part of the financial statements for the year 2022-23;

(iv) Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Annual Return as at 31st March, 2023 will be available on the website of the Company on the following link: https://hudco.org.in//Site/FormTemplate/frmTemp1PLargeTC1C_P.aspx?MnId=463&ParentID=391;

(v) HUDCO being a Government Company, the provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the company in terms of notification no. G.S.R.463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India;

(vi) HUDCO, being a Government Company is exempted from the provisions of Section 197 of the Companies Act, 2013 and Rules made thereunder relating to managerial remuneration, hence, no disclosure is required to be made;

(vii) As per the statutory provisions, a listed company is required to disclose in its Board's Report, a statement indicating the manner in which formal annual evaluation of the performance of the Board, its committees and individual Directors has been made and the criteria for performance evaluation of its Independent Directors, as laid down by the Nomination & Remuneration Committee.

The Ministry of Corporate Affairs, Government of India vide notification dated 5th June, 2015 has, inter-alia, exempted Government companies from the above requirement, in case the Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, as per its own evaluation methodology. Further, MCA vide notification dated July 5, 2017, also prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism prescribed in Schedule IV of the Companies Act, 2013, is not applicable to Government companies.

Accordingly, HUDCO, being a Government company, is exempted in terms of the above notifications, as the evaluation of performance of all members of the Board of the Company is being done by the Administrative Ministry, i.e., the Ministry of Housing and Urban Affairs, GoI;

(viii) The Company is compliant with the applicable Secretarial Standards issued by Institute of Company Secretaries of India (ICSI);

(ix) In compliance of the SEBI(LODR) Regulations, 2015, and DPE Guidelines on Corporate Governance, based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is annexed and forms part to the Directors' Report. A copy of the Code is available on the website of the Company at www.hudco.org.in;

(x) In compliance with Regulation 25(10) of the SEBI (LODR) Regulations, 2015, your company has obtained Directors and Officers Liability Insurance Policy, ensuring adequate insurance coverage, covering all the directors of the Company including Independent Directors, Key Managerial Personnel, and Senior Officers against the risk of financial loss including the expenses pertaining to defence cost and legal representation expenses arising in the normal course of business;

(xi) Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo.

Energy Conservation and Technology Absorption

As HUDCO does not own any manufacturing unit/facility, there are no specific application relating to conservation of energy and technology absorption. However, HUDCO, being an energy conscious organization has taken various initiatives in the direction of energy conservation on a continuous basis.

Foreign Exchange Earnings and Outgo

During the financial year 2022-23, foreign exchange inflows was ₹ 0.06 crore (previous year ₹ 0.27 crore) and foreign currency outflow was ₹ 2.51 crore (previous year ₹ 1.46 crore);

(xii) There is no change in the nature of business of the Company during the year;

(xiii) There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of your company in future;

(xiv) The Central Government has not prescribed the maintenance of cost records for the products/services of the Company under the Companies (Cost Records and Audit) Amendment Rules, 2014 prescribed by the Central Government under

Section 148 of the Companies Act, 2013. Accordingly, cost accounts and records are not required to be maintained by the Company;

- (xv) HUDCO has not made any application under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), directly on standalone basis during the year;
- (xvi) The Company has not entered into one time settlement with Banks or Financial Institutions during the year, hence, details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions is not given; and
- (xvii) During the year under review, the statutory auditor, has not reported any material case of fraud committed against by its officers or employees under Section 143(12) of the Companies Act, 2013, hence, no disclosure is made.

25. FUTURE OUTLOOK - MEDIUM AND LONG-TERM STRATEGIES

The massive reach of COVID-19 pandemic has de-accelerated the economy of the World at large, to which India is no omission. HUDCO operations have been impacted post COVID-19 pandemic due to this slowdown. The future outlook, both medium and long-term strategies are summarized hereunder:

- a. Demand for housing across India continued to show resilience. As per NHB RESIDEX – Composite price index for 50 cities, the prices in 50 major cities in India has been steadily on the increasing trend. This signifies the growing demand for housing in the country, particularly in affordable housing segment. Given the scenario it is expected that there will be good demand for Housing finance in the country;
- b. The enhanced allocation for Pradhan Mantri Awaas Yojana (Urban & Rural) by 66%, ₹ 79,590 crore during 2023-24 in the union budget will have rippling effect on the housing activities in the country. Thus, it is expected that viability gap funding requirements from the state governments would gather momentum by mid of the financial year 2023-24. HUDCO being a major partner in many such housing schemes by the various State Governments would garner this opportunity with right pricing of loan;
- c. HUDCO has a vigorous plan to proactively assist State Governments in implementation of Government of India program relating to urban development in a mission mode;
- d. HUDCO is making all out efforts to tap potential business for viability gap funding in Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart City projects;
- e. AMRUT, launched in June 2015 in selected 500 cities, seeks to focus on developing basic infrastructure related to several services such as water supply, sewerage, and non-motorised urban transport. AMRUT 2.0 was launched in October 2021 for five years (2021-22 to 2025-26). AMRUT 2.0 seeks to provide water supply to households and in 2023-24, it has been allocated ₹ 8,000 crore under the budget;
- f. The Smart Cities Mission, launched in June 2015 for five years, seeks to promote 100 smart cities that provide core infrastructure. In 2023-24 budget, the Mission has been allocated ₹ 8,000 crore;
- g. Swachh Bharat Mission (U) has been allocated ₹ 5,000 crore in 2023-24. HUDCO Regional Offices are assisting and handholding with State Government Parastatal and Nodal Agencies of this program for providing financial assistance/ Viability Gap Funding;
- h. Under Jal Jeevan Mission-Har Ghar, Nal Se Jal allocation of ₹ 60,000 crore to cover 3.8 crore households in 2022-23, HUDCO will make all out efforts to tap potential business for viability gap funding;
- i. Health infrastructure needed a major attention during COVID 19, the pandemic posed lot of challenges to administration all over the country, which necessitates establishing modern and state of the art health care facilities all over country. HUDCO would continue to fund Social Infrastructure Projects like Health Centres, Government Hospitals, Medical Colleges, etc., being a priority sector lending for HUDCO, as the State Governments would be requiring huge funds to expand their Health Care Infrastructure;
- j. HUDCO would also give priority for funding Urban Metro Rail projects of all major cities, as the Government is keen to expand the metro network in different cities and is looking for external participation for such projects; and
- k. HUDCO needs to enlarge its operation in rural areas also so as to cover infrastructure development in both urban and rural areas, without any distinction.

26. STATUTORY AND OTHER INFORMATION REQUIREMENT

The particulars of annexure(s) forming part to the Directors' Report are as under:

Particulars	Annexure
Management Discussion & Analysis Report	1
Corporate Governance Report	2
Business Responsibility & Sustainability Report	3

Particulars	Annexure
Secretarial Audit Report	4
Annual Report on CSR Activities	5
Declaration of the Code of Conduct	6
Management Reply to comments of Statutory Auditors on financial statements	7
Comments of the Comptroller and Auditors General of India	8

27. ACKNOWLEDGEMENT

The Board of Directors of your Company acknowledge its deep sense of appreciation for the continuous support, guidance and cooperation extended by the Government of India, especially the Ministry of Housing and Urban Affairs, Ministry of Rural Development, Ministry of Finance, Reserve Bank of India, National Housing Bank, Ministry of Corporate Affairs, Department of Public Enterprises, Regulatory/Statutory Authorities and various other departments of the Central/State Governments, Stock Exchanges, Depositories, Credit Rating Agencies, Registrar & Transfer Agents, Debenture Trustee(s) and other agencies.

The Board of Directors also conveys its gratitude for the unstinting support and cooperation given by the shareholders, bondholders, public deposit holders, Bankers, Financial Institutions, Housing Boards, Development Authorities, Municipal/ Local Bodies and other stakeholders associated with the company.

The Board of Directors also acknowledges the valuable suggestions and guidance extended by Comptroller & Auditor General of India, Statutory Auditors, Secretarial Auditors, and other professionals associated with the Company.

The Board of Directors also take this opportunity to acknowledge and appreciate the hard work and efforts put in by HUDCO employees at all levels towards achievement of the all-round growth of the company.

For and on behalf of the Board of Director

Sd/-

Kuldip Narayan

Chairman & Managing Director

(DIN: 03276525)

Place : New Delhi

Date : 22nd August, 2023



Construction of Houses for EWS (Urban), Kerala

MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Although the pandemic had largely receded by the onset of year 2022, the ill-effects of the geopolitical tensions arising out of Russia-Ukraine war was evident across the global economies. Further, the emergence of inflationary pressures posed significant challenges to the global economic growth. All major central banks were seen raising their policy rates in order to combat inflation. In India, Reserve Bank of India (RBI) too followed suit and raised the policy repo rate six times between May 2022 to February 2023, from 4 per cent to 6.5 per cent. Consequently, the lending and borrowing rates moved up posing hurdles to the domestic growth prospects. As per latest data released by National Statistical Office (NSO), the growth in real GDP during 2022-23 is now estimated at 7.2 per cent as compared to 9.1 per cent in 2021-22 (provisional estimates of national income, 2022-23, NSO, dated 31st May, 2023). Growth was supported by a visible pick-up in the services sector. Manufacturing sector underperformed due to high raw material costs and uneven demand recovery which pulled down the overall growth.

The first Union Budget of the Amrit Kaal, Union Budget 2023-24, outlined its focus on housing and urban infrastructure sectors. In the budget, capital investment outlay for infrastructure has been increased steeply by 33 per cent to ₹10 lakh crore, which is 3.3 per cent of GDP. States and cities will be encouraged to undertake urban planning reforms and actions to transform cities into 'sustainable cities of tomorrow.' Through property tax governance reforms and ring-fencing user charges on urban infrastructure, cities will be incentivized to improve their credit worthiness for municipal bonds. Further, like the Rural Infrastructure Development Fund (RIDF), an Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall which will be managed by the National Housing Bank and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities. The outlay for PM Awas Yojana has been enhanced by 66 per cent to over ₹ 79,000 crores (Union Budget speech 2023-24).

2. STRENGTHS AND WEAKNESSES

HUDCO is a Schedule-A Mini Ratna, CPSE with 53 years of standing as a premier techno-financial organisation in housing and urban development sector. It operates pan-India through a network of 21 regional offices and 11 development offices. The Company has been funding a wide array of housing and urban infrastructure projects ranging from EWS/LIG housing to water supply, sanitation, roads, bridges, airports and to even metro rail. In its course of business over the years, the Company has established a long-standing association with the various state government agencies and its parastatals such as Development Authorities, Housing Boards, Urban Local Bodies, Water Supply & Sewerage Boards, Roads & Bridges Development Corporations, etc., throughout the country. HUDCO has a human resource base of multidisciplinary professionals from various fields like Finance, Law, Architecture, Civil Engineering, Urban & Regional Planning, Information Technology, Economics, Human Resources and Public Relations, etc. HUDCO has its own Training & Research Institute, the Human Settlement Management Institute (HSMI) for research activities as well as training & capacity building of inhouse as well as outside professionals of the housing and urban development sector.

Some of the key weaknesses being faced by the Company include: inadequate access to low-cost sources of funds; restrictions in exposure/credit concentration norms; and difficulties in getting State Government guarantee/budgetary support, which pose challenges for expansion of business.

3. OPPORTUNITIES, THREATS, RISKS AND CONCERNS

The key to HUDCO's growth prospect is crucially linked to the urbanisation trend of the Country. India's urban population is estimated to increase from 470 million in 2021 to 600 million by 2036 which would constitute about 40 per cent urbanisation level, up from 31.2 per cent in 2011 (World Bank Report 2022). The World Bank Report also estimated that India's cities require a capital investment of USD 840 billion in urban infrastructure and municipal services till 2036 in 2020 prices. Further, as per National Infrastructure Pipeline (NIP) Report, total capital expenditure requirement in infrastructure sectors in India during fiscals 2020 to 2025 is projected at about ₹ 111 trillion, including ₹ 19.19 trillion for urban infrastructure projects. Thus, with continuous rise in the urbanisation levels and commensurate increase in capital investment requirement, HUDCO's potential for quantum jump in business operations augurs well, particularly in view of its impending operational transition from HFC to NBFC-IFC (Infrastructure Finance Company) in the new RBI regulatory regime. However, HUDCO has to increasingly contend with its competitors from Banking Sector and other Financial Institutions who have relatively cheaper sources of funds. This poses stiff competition to HUDCO's business and pressure on the margins.

4. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

During the year under review, HUDCO operates only in one segment and has no other reportable segment, hence, segment wise performance, has not been given.

5. OUTLOOK

Amidst the heightened global economic uncertainty, where the global growth is likely to bottom out at 2.8 per cent in 2023-24, (as per IMF-World Economic Outlook Report, April 2023), India remains a 'bright spot' with the highest growth rate of 5.9 per cent in 2023-24 and is likely to grow at 6.3 per cent in next fiscal. Further, as per RBI's latest monetary statement, the GDP growth is likely to be 6.5 per cent this fiscal on the back of supportive domestic demand conditions. This shows the New India's continued resilience and strong macro - economic fundamentals, which also drive the global growth.

One of the key reasons for India's sustained growth is the huge impact of investment in real estate sector on the economic growth with its strong income and employment multiplier effects through 'forward' and 'backward' linkages with other industries in the economy. The Govt. of India's focus on 'infrastructure-led economic growth' is further going to provide significant impetus for economic growth.

Various available data and Reports, such as World Bank Report, NIP Report, etc., point towards a sustained increase in urbanisation level and consequent increase in investment in housing and urban infrastructure sectors. This factor is the key driver to HUDCO's business growth. Further, the government has been undertaking various policy measures for orderly & sustainable urbanisation and catalysing steady flow of investments into the housing and urban infrastructure sector. These imply that the long-term business outlook for the Company is reasonably good. Despite the current global economic uncertainty with high interest rate regime, the Company is well poised to navigate through this uncertain environment in the short to medium term for a sustained business growth through necessary product & process innovation. The Company is also fully geared up to reinforce its support to all Govt flagship programmes/Missions ranging from financing to appraisal, monitoring, and capacity building support. The future holds good tiding for HUDCO.

6. INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

HUDCO's Internal Control Systems with reference to its Financial Statements is adequate and commensurate with the nature, size, and complexity of its operations. The detail with respect to Internal Control Systems has been given in the Directors' Report.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The details of financial performance with respect to operational performance has been explained in the Directors' Report.

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

Information pursuant to schedule-V of SEBI (LODR) Regulations 2015 - There is no significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios viz. Debtors Turnover Ratio (not applicable to HUDCO being a HFC), Inventory Turnover Ratio (Not applicable to HUDCO being a HFC), Interest Coverage Ratio, Current Ratio (Not applicable to HUDCO being a HFC and due to maintenance of Accounts as per IndAs), Debt-Equity Ratio, Operating profit margin and Net profit margin during the year 2022-23 as compared to the previous year 2021-22. The return on net-worth during the year 2022-23 is 11.02 % as against the 11.86 % during the previous year 2021-22 resulting in insignificant decline (0.84 %) over the previous year due to marginal decrease in the profit after tax.

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

HUDCO has been a front-runner in the area of human resource management. The guiding principle of HUDCO's Human Resource Management Policy is to ensure availability of competent, motivated, and effective workforce to facilitate achievement of its full potential at all times to achieve organizational goals. Your Company has workforce of 214 women employees which constitutes 31.79% of its total strength. Representation of women employees have gone across various hierarchical levels in the Company. As on 31st March, 2023, HUDCO has a workforce of 673 employees. The category wise details along with percentage of employees are as under:

Group	General	SC	ST	OBC	Ex-Serv.	PwD	Total
A	357	88	32	69	0	10	556
B	6	1	1	4	0	0	12
C	14	7	5	4	0	1	31
D	31	22	11	7	1	2	74
Total	408	118	49	84	1	13	673

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

Your Company is not engaged in any manufacturing activity, hence, there are no significant particulars, relating to environmental protection and conservation, technological conservation, renewable energy developments, etc. HUDCO encourages projects which are environmentally safe and secure and have taken various initiatives in the direction on a continuous basis. The particulars with regard to foreign exchange earnings and outgo are given in the Directors' Report.

10. CORPORATE SOCIAL RESPONSIBILITY

The status report on Corporate Social Responsibility for the year 2022-23 has been given in the Directors' Report and Annual Report on CSR activities, annexed with the Directors' Report.

11. CAUTIONARY STATEMENT

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

For and on behalf of the Board of Director

Place : New Delhi
Date : 22nd August, 2023

Sd/-
Kuldip Narayan
Chairman & Managing Director
(DIN: 03276525)



Proposed Vertical Housing Colony - Shehjar Apartments at Bemina, Srinagar, Jammu & Kashmir

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

HUDCO is fully committed to put in place best Corporate Governance practices by adherence to the applicable laws, rules, regulations, and guidelines issued by the Securities and Exchange Board of India (SEBI) and the Department of Public Enterprises (DPE) and other authorities from time to time.

HUDCO a listed government company under the administrative control of the Ministry of Housing and Urban Affairs (MoHUA), Government of India, aims to enhance its stakeholder's satisfaction, maximize their value and building the trust in the Company by ensuring transparency in all its areas of operations with special emphasis on financial prudence and accountability.

2. BOARD OF DIRECTORS

(a) Composition and Category of Directors

The Board of Directors of your company comprises of professionals, having skills/expertise and competence in diverse fields like administration, finance, management, law, etc., who provide strategic direction and guidance to the organization.

As on 31st March, 2023, HUDCO Board consists of 8 Directors, comprising of 3 Functional Directors including Chairman & Managing Director (Additional Charge), 1 Government Director and 4 Non-official (Independent) Directors, which is in conformity with the Companies Act, 2013, SEBI (LODR) Regulations, 2015, DPE guidelines and all other applicable rules/regulations, the details of which is as under:

Sl. No.	Name	Category	Designation	Date of appointment
1.	Shri Kuldip Narayan (DIN: 03276525)	Executive Director	Chairman & Managing Director (Addl. Charge)	27.03.2023
2.	Shri M Nagaraj (DIN: 05184848)	Executive Director	Director (Corporate Planning)	01.02.2019
3.	Shri D Guhan (DIN: 06757569)	Executive Director	Director (Finance)	31.12.2019
4.	Shri Sanjeet (DIN: 09833776)	Non-Executive Director	Part-time Official (Government) Director	22.12.2022
5.	Dr. Ravindra Kumar Ray (DIN: 09394495)	Non-Executive Director	Non-Official (Independent) Director	22.11.2021
6.	Dr. Siyaram Singh (DIN: 09402727)	Non-Executive Director	Non-Official (Independent) Director	22.11.2021
7.	Smt. Sabitha Bojan (DIN: 09398364)	Non-Executive Director	Non-Official (Independent) Director	22.11.2021
8.	Shri Banshi Lal Gujar (DIN: 09462128)	Non-Executive Director	Non-Official (Independent) Director	09.01.2022

Notes:

The President of India, through the Ministry of Housing and Urban Affairs (MoHUA), Government of India, being the Administrative Ministry and Appointing Authority had:

- assigned the additional charge of the post of Chairman & Managing Director, HUDCO, to Shri Kuldip Narayan I.A.S., Joint Secretary, HFA, MoHUA vide order dated 27th March, 2023 for a period of 6 months with effect from the date of his assumption of charge of the post, or till a regular incumbent join the post, or until further orders, whichever is the earliest. Shri Narayan has assumed the charge of the post of CMD, HUDCO with effect from 27th March, 2023 (F/N). Shri Narayan was also associated with HUDCO since 2nd November, 2021 as Part-time Official Director;
- appointed Shri Sanjeet, I.R.A.S., Joint Secretary & Financial Advisor, MoHUA as Part-time Official Director in place of Shri Ashish Upadhyay with effect from 21st December, 2022. However, his appointment as Director, on the Board of Directors of HUDCO is effective from 22nd December, 2022 being the date of allotment of DIN by Ministry of Corporate Affairs, Government of India; and
- appointed Shri Satinder Pal Singh, Additional Secretary, MoHUA, as Part-time Official Director in place of Shri Kuldip Narayan, vide order dated 24th April, 2023, on the Board of Directors of HUDCO, with immediate effect until further orders.

Directors' Profile

The Directors on the Board of HUDCO are appointed by the President of India through the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India after considering skills, expertise, and competence of individuals with reference to the business of the Company. Their wide range of skills, expertise and competency enhances the quality of the Board's decision-making process. All the Board members, had effectively participated in the Board/ Committee meetings and contributed substantially towards the growth of the organization.

The brief profile of Board Members, as on the date of signing of this report, is given hereunder:

Kuldip Narayan, I.A.S.
Chairman & Managing Director
(DIN: 03276525)

Shri Kuldip Narayan, Joint Secretary, Ministry of Housing and Urban Affairs (MoHUA), Government of India is an Indian Administrative Service (IAS) Officer of 2005 batch of Bihar Cadre and did his B. Tech in Mechanical Engineering from IIT Kanpur. Shri Narayan is looking after Government of India's flagship programme of Housing for All / Pradhan Mantri Awas Yojna (Urban) since October 14, 2021. He was associated with HUDCO since 2nd November, 2021, as Part-time Official Director and has been assigned additional charge of the post of Chairman & Managing Director, HUDCO by MoHUA w.e.f. 27th March, 2023.

In Government of India, Shri Narayan has also served as Private Secretary to Hon'ble Minister of State Health and Family Welfare and Hon'ble Minister of State, Environment, Forest & Climate Change before taking over charge of Joint Secretary & Mission Director, Housing for All. Earlier, he has served as the District Magistrate of Gopalganj, Chhapra, Munger and Madhubani districts in Bihar. Shri Narayan also held the charge of Chairman of Bihar State Bridge Corporation, Managing Director of Bihar State Milk Co-Operative Federation Limited, Managing Director of Bihar State Water Board, Patna Municipal Commissioner and Director, Panchayati Raj Department, in Bihar before coming to Central Deputation in 2019.

He has been conferred Satyendra Dubey Memorial Award by IIT Kanpur in 2015 for his efforts to promote probity and transparency in public service and exemplary dedication in maintaining the highest professional integrity in upholding human values.

Shri Narayan holds directorship in 3 body corporates/companies other than HUDCO namely: - Hindustan Prefab Limited, National Housing Bank and National Capital Region Transport Corporation Limited. Apart from HUDCO, Shri Narayan is a member of Audit, Remuneration and Corporate Social Responsibility Committee(s) with Hindustan Prefab Limited and Member of Supervisory Committee, Executive Committee, Human Resource Committee, Review Committee, Special Committee for monitoring and follow up of frauds, and Chairman of Information Technology Committee and Cyber Security Committee of the Board with National Housing Bank. Details of membership of various Committees in HUDCO is given separately in this report.

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

Shri M Nagaraj, aged 56 years, is Director (Corporate Planning) of the Company since February 1, 2019.

Shri Nagaraj holds qualification/degree of Cost Accountant, Company Secretary, MBA with specialisation in Finance and CAIIB.

Shri Nagaraj is having 32 years of vast experience to his credit in diversified fields/sectors like Housing Infrastructure Finance, Skill Development & Micro Finance in Social Sector, and International Trading, with strong fundamentals in Managerial Capabilities and e-governance for corporate sector.

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

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

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

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

D Guhan

Director (Finance) & Chief Financial Officer

(DIN: 06757569)

Shri D. Guhan, aged 59 years, is Director (Finance) & Chief Financial Officer of the Company since December, 2019. Prior to taking over as Director (Finance), Shri Guhan had worked in various capacities both at Corporate and Regional Offices in HUDCO since, 1987.

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

Shri Guhan has more than 36 years' experience in diversified fields pertaining to credit appraisal of Projects, Finance & Accounts, Taxation, Resource Mobilization, Loan Accounting, Treasury management, Audit of Financial Statements, Investor Relations, and IPO Management. He has been associated with the computerisation of the financial and loan accounting functions.

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

Satinder Pal Singh, I.P.S.

Part-time Official Director

(DIN: 07490296)

Shri Satinder Pal Singh, aged 55 years, Additional Secretary, Ministry of Housing and Urban Affairs (MoHUA), Government of India is an Indian Police Service (IPS) Officer of 1995 batch of Himachal Pradesh cadre and did his bachelor degree in civil engineering from Regional Engineering College, Srinagar, Post Graduate degree in law from Brunel University, London and Master's degree in Police Management from Osmania University, Hyderabad. He is associated with HUDCO since 24th April, 2023 as part-time Official Director.

Shri Satinder Pal Singh has served in senior positions in the State Government of Himachal Pradesh, including Superintendent of Police, Special Secretary in the Department of Home, and Inspector General of Police. In Government of India, he has also served MoHUA, as Director- Housing, and Ministry of Shipping, Government of India as Joint Secretary.

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

Shri Singh is not holding directorship in any other Company apart from HUDCO.

Sanjeet, I.R.A.S.

Part-time Official Director

(DIN: 09833776)

Shri Sanjeet, aged 51 years, an Indian Railway Accounts Service (IRAS) Officer of 1998 batch, Joint Secretary & Financial Advisor in the Ministry of Housing and Urban Affairs, Government of India, is associated with HUDCO, as a Part-time Official Director since 22nd December, 2022.

Shri Sanjeet holds Master of Business Administration from Annamalai University, Masters and M.Phil. degree(s) in International Studies from Jawaharlal Nehru University, New Delhi.

Shri Sanjeet has around 24 years of rich, varied, and multi-disciplinary experience in the field of Administration, Financial appraisal of proposals, Tender and Contract management, Policy issues on Pay & Allowances and Audit functions. He has in the past held various important positions in the Indian Railways. Shri Sanjeet was instrumental in setting up of New Computer Centre in Traffic Accounts office & implementation of PRIME, disposal of scrap, clearing of Traffic suspense, for which he has been conferred with various prizes from time to time. Shri Sanjeet has attended various training programs and workshops both domestic and international level.

Shri Sanjeet is holding directorship in six companies other than HUDCO namely: NBCC (India) Limited (a listed company), Kolkata Metro Rail Corporation Limited, Gujarat Metro Rail Corporation (GMRC) Limited, Uttar Pradesh Metro Rail Corporation Limited, Noida Metro Rail Corporation Limited, and Hindustan Prefab Limited.

Shri Sanjeet is holding the position of Chairman of the Audit Committee of Noida Metro Rail Corporation Limited & Hindustan Prefab Limited and member of the Audit Committee of NBCC (India) Limited (listed entity) & Uttar Pradesh Metro Rail Corporation Limited.

He is also a member of the Nomination & Remuneration Committee of NBCC (India) Limited & Hindustan Prefab Limited and CSR Committee of Hindustan Prefab Limited. Details of membership of various Committees in HUDCO is given separately in this report.

Dr. Ravindra Kumar Ray
Non-Official (Independent) Director
(DIN: 09394495)

Dr. Ravindra Kumar Ray, aged 65 years, is a Non-Official (Independent) Director on the Board of the Company since 22nd November, 2021.

Dr. Ray did his graduation from St. Columba's College, Hazaribag and Master's degree in History from Ranchi University and Doctorate/ Phd. in History from Vinoba Bhave University, Jharkhand and has more than three decades of teaching experience as lecturer at Vinoba Bhave University, Jharkhand.

Dr. Ray is an active Political & Social worker. He was member of 16th Lok Sabha, Parliament of India, prior to which he was member of Jharkhand assembly for two terms and held the position of Cabinet Minister in Government of Jharkhand.

Dr. Ray is not holding directorship/membership of the Committees of the Board in any Company other than HUDCO. Details of membership of various Committees in HUDCO is given separately in this report.

Dr. Siyaram Singh
Non-Official (Independent) Director
(DIN: 09402727)

Dr. Siyaram Singh, aged 46 years, is a Non-Official (Independent) Director on the Board of the Company since 22nd November, 2021.

Dr. Singh did his M.B.B.S and MD General Medicine from Patna University. He is an eminent medical professional in healthfulness of Barh's city of Patna district in the State of Bihar and is active in social activities for more than 16 years. He also held the position of Secretary, Bharat Vikas Parishad, and Secretary Patna Medical College.

Dr. Singh is not holding directorship/membership of the Committees of the Board in any Company other than HUDCO. Details of membership of various Committees in HUDCO is given separately in this report.

Sabitha Bojan
Non-Official (Independent) Director
(DIN: 09398364)

Smt. Sabitha Bojan, aged 45 years, is a Non-Official (Independent) Director on the Board of the Company since 22nd November, 2021. She did her Masters in Sociology and M.B.A. in Human Resources and diploma in Co-operation.

Smt. Bojan has more than 16 years of experience in corporate, education and management field with key positions as state and regional head in various organizations. She is a passionate poet and writer and has been awarded 'Tamizh Chemmal' state award (2019) by the Government of Tamilnadu for her contribution towards Tamil language. She is a social activist and has carried out numerous welfare activities for youth, women, and tribal upliftment in coordination with several NGO's.

Smt. Bojan is not holding directorship/membership of the Committees of the Board in any Company other than HUDCO. Details of membership of various Committees in HUDCO is given separately in this report.

Banshi Lal Gujar
Non-Official (Independent) Director
(DIN: 09462128)

Shri Banshi Lal Gujar, aged about 63 years, is a Non-Official (Independent) Director on the Board of the Company since 9th January, 2022.

Shri Gujar holds vast and rich experience of more than four decades in the field of politics, administration, and social welfare. He did his masters in Political Science. He is a social activist and carried out numerous welfare activities for upliftment of farmers. He was instrumental in development of Mandsaur Agriculture Market Committee, which is first ISO certified market in the State of Madhya Pradesh having three shopping malls.

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

(b) Attendance Record and Directorship/Committee Position for the period commencing from 1st April 2022 to 31st March, 2023.

Sl. No.	Name of the Director(s)	No. of Board Meeting(s)		Last AGM Attended (held on 26.09.2022)	Number of directorship/ Committee membership excluding HUDCO held as on 31.03.2023	
		Held during their tenure from 01.04.2022 to 31.03.2023	Attended		Total Directorship (Including listed entity)	Committee Chairmanship/ Membership
1.	Shri Kuldip Narayan	10	8	Yes	3	-
2.	Shri M. Nagaraj	10	10	Yes	2	-
3.	Shri D. Guhan	10	10	Yes	-	-
4.	Shri Sanjeet (from 22.12.2022)	4	4	N.A.	6	1
5.	Dr. Ravindra Kumar Ray	10	9	Yes	-	-
6.	Dr. Siyaram Singh	10	10	Yes	-	-
7.	Smt. Sabitha Bojan	10	10	Yes	-	-
8.	Shri Banshi Lal Gujar	10	8	Yes	-	-
9.	Shri S.S. Dubey (up to 12.10.2022)	4	2	No	N.A.	N.A.
10.	Shri Kamran Rizvi (up to 21.10.2022)	4	4	Yes	N.A.	N.A.
11.	Shri Ashish Upadhyaya (from 18.11.2022 to 21.12.2022)	1	1	N.A.	N.A.	N.A.

Notes:
i. Change of Chairman & Managing Directorship

- Shri Kamran Rizvi, I.A.S., Additional Secretary, MoHUA, GoI ceased as Chairman & Managing Director (Additional charge), HUDCO with effect from 22nd October, 2022 as per terms & conditions of his appointment conveyed by the Ministry of Housing and Urban Affairs (MoHUA), Government of India vide order dated 10th May, 2022;
- Further, Shri Kuldip Narayan, Joint Secretary (HFA), MoHUA, has been assigned the additional charge of the post of Chairman & Managing Director, HUDCO for a period of six months from the date of his assumption of charge of the post, by MoHUA vide order dated 27th March, 2023. Shri Narayan has assumed the charge of the post of CMD, HUDCO with effect from 27th March, 2023 (F/N).

Change of Directorship

- Shri Shyam Sunder Dubey ceased to be Part-time Official Director on the Board of HUDCO with effect from 12th October, 2022, being the date of approval by the Board of Directors of HUDCO;
- Shri Ashish Upadhyaya, Special Secretary & Financial Adviser, Ministry of Power has been appointed by MoHUA vide order dated 18th November, 2022, as Part-time Official Director, on the Board of Directors of HUDCO, in his capacity as Link Officer of Financial Advisor, MoHUA with effect from 18th November, 2022;
- Shri Sanjeet, Joint Secretary & Financial Adviser, MoHUA has been appointed as Part-time Official Director, on the Board of Directors of HUDCO in place of Shri Ashish Upadhyaya with effect from 21st December, 2022. The appointment of Shri Sanjeet as Part-time Official Director, on the Board of Directors of HUDCO is effective from 22nd December, 2022 being the date of allotment of DIN by Ministry of Corporate Affairs, Government of India; and
- Shri Satinder Pal Singh, Additional Secretary, MoHUA, has been appointed as Part-time Official Director in place of Shri Kuldip Narayan, by MoHUA vide order dated 24th April, 2023, on the Board of Directors of HUDCO, with immediate effect until further orders.

- ii. *Dr. Ravindra Kumar Ray, Smt Sabitha Bojan, and Dr. Siyaram Singh, Non- Official (Independent) Director(s) have also attended the 52nd Annual General Meeting as Chairman/Chairperson of the 'Audit Committee', 'Nomination & Remuneration Committee', and 'Stakeholders Relationship Committee' respectively;*
- iii. *Shri Sanjeet also holds the position of Government Nominee Director on the Board of NBCC (India) Limited, a listed entity as on 31st March, 2023;*
- iv. *None of the Directors is a member of more than 10 Committee(s) in public limited companies whether listed or not or Chairman of more than 5 Committee(s) across all listed entities, in which, he/she is a director as per Regulation 26 of the SEBI (LODR) Regulations, 2015;*
- v. *Chairmanship/ membership of Committees include Chairmanship/ membership of the Audit and Stakeholders' Relationship Committee(s) only in listed companies other than HUDCO as per Regulation 26 of the SEBI (LODR) Regulations, 2015;*
- vi. *In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri M. Nagaraj, Director (Corporate Planning) shall retire by rotation at the 53rd Annual General Meeting and is eligible for reappointment on the same terms and conditions as earlier approved by the President of India;*
- vii. *Pursuant to provisions of Section 161 of the Companies Act, 2013 read with Articles of Association of the Company, Shri Satinder Pal Singh who has been appointed as an Additional Director to hold office up to the date of ensuing Annual General Meeting, is eligible to be appointed as Director at the ensuing Annual General Meeting on the same terms and conditions as approved by the President of India;*
- viii. *No Directors of the company are inter-se related with each other.*

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

The Board met 10 times during the financial year 2022-23 on the following dates:

27th May, 2022, 27th July, 2022, 8th August, 2022, 27th September, 2022, 14th November, 2022, 13th December, 2022, 25th January, 2023, 13th February, 2023, 14th March, 2023 and 24th March, 2023.

- (d) The Company has not issued any preference shares/ stocks/ convertible instrument as on 31st March, 2023. None of the Directors held any shares/stocks/convertible instruments in the Company except Shri Kuldip Narayan, who holds 300 equity shares, as disclosed by the directors, as on 31st March, 2023.
- (e) The Board of Directors of the Company are fully briefed/updated on all business-related matters/ developments, provisions pertaining to the applicable laws like Companies Act 2013, Prohibition of Insider Trading Regulations, 2015 and SEBI (LODR) Regulations, 2015 and changes, therein, if any viz-a-viz their duties, role & responsibilities, etc.

Pursuant to Regulation 25 of SEBI (LODR) Regulations, 2015, Independent Directors have been familiarized with the various aspects like nature of business, its model, their roles, rights, and responsibilities, etc., for which they are provided necessary material as part of the familiarization programmes. They are nominated for various programmes of the professional interest from time to time as per their convenience, consent, and availability. The familiarization programme is available on website of the Company at <https://hudco.org.in/writereaddata/Stat-Ind.Dir.Prog.pdf>

- (f) As per requirements of the SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013, a separate meeting of Independent Directors was held during the financial year 2022-23 on 14th February, 2023, without the attendance of non-independent directors and members of management. The meeting was attended by all the Independent Directors.
- (g) The Independent Directors of the Company are nominated/appointed by the President of India acting through the Administrative Ministry, i.e., MoHUA, GoI, after considering the integrity, expertise, and experience of the individual(s) to be nominated/appointed as Independent Directors on the Board of HUDCO. In the opinion of the Board and considering the disclosure received from all Independent Directors, the Independent Directors fulfill the criteria of Independence as specified in the Companies Act, 2013 as well as SEBI (LODR) Regulations, 2015 and are independent of the management.

3. COMMITTEES OF THE BOARD OF DIRECTORS

In compliance with provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, DPE guidelines and/or from operational point of view, the Board has constituted various Committees. The recommendations of Committees, wherever required, are placed before the Board for its consideration and the same have been accepted by the Board.

The brief of the Committees is as under:

AUDIT COMMITTEE

Brief Description of terms of reference

The role and terms of reference of the Audit Committee is as defined in the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and DPE guidelines on Corporate Governance, as amended from time to time.

Composition, name of members and Chairman, number of meeting and attendance

As on 31st March, 2023, the Audit Committee comprised of 5 members, out of which 4 members were Non-official (Independent) Directors and 1 member was Part-time Official (Government) Director. The Committee was headed by Non-official (Independent) Director.

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

During the year, six meetings of the Audit Committee were held on 27th May, 2022, 27th July, 2022, 8th August, 2022, 14th November, 2022, 13th February, 2023, and 14th March, 2023.

The composition of the Audit Committee and attendance of its members during the year was as under:

Sl. No.	Name and Designation	Chairman/ Member	Date of Induction(I)/ Cessation(C)	No. of meetings attended
1.	Dr. Ravindra Kumar Ray Non-official (Independent) Director	Chairman	28.12.2021(I)	5/6
2.	Dr. Siyaram Singh Non-official (Independent) Director	Member	28.12.2021(I)	6/6
3.	Smt. Sabitha Bojan Non-official (Independent) Director	Member	28.12.2021(I)	6/6
4.	Shri Banshi Lal Gujar Non-official (Independent) Director	Member	04.03.2022 (I)	4/6
5.	Shri Sanjeet Part-time Official (Government) Director	Member	25.01.2023(I)	2/2
6.	Shri Shyam Sunder Dubey Part-time Official (Government) Director	Member	08.08.2019(I) 12.10.2022(C)	2/3

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Brief Description of terms of reference

The role and terms of reference of the Corporate Social Responsibility Committee is as defined in the Companies Act, 2013, and DPE guidelines on Corporate Governance, as amended from time to time.

The Company has a separate department to look after the CSR activities of the Company and compliance with the statutory provisions relating thereto. A separate report titled 'Annual Report on Corporate Social Responsibility (CSR) for the financial year 2022-23' giving detail as to activities undertaken and the expenditure incurred during the year and other relevant details relating thereto is annexed with the Directors' Report. HUDCO's CSR policy is available at the company's website at the following link: <https://www.hudco.org.in/writereaddata/csrapolicy.pdf>

Composition, name of members and Chairman, number of meeting and attendance

As on 31st March, 2023, the Corporate Social Responsibility Committee comprised of 6 members, out of which 4 members were Non-official (Independent) Directors, 2 members were Functional Director. The Committee was headed by Functional Director. Head of CSR department is permanent invitee to attend the meetings of CSR Committee. The Company Secretary acts as the Secretary of the CSR Committee.

During the year, five meetings of the Corporate Social Responsibility Committee were held on 26th July, 2022, 13th December, 2022, 27th December, 2022, 14th February, 2023, and 24th March, 2023.

The composition of the Corporate Social Responsibility Committee and attendance of its members during the year was as under:

Sl. No.	Name and Designation	Chairman/ Member	Date of Induction(I)/ Cessation(C)	No. of meetings attended
1.	Shri M Nagaraj Director (Corporate Planning)	Chairman	03.02.2020(I)	5/5
2.	Dr. Ravindra Kumar Ray Non-official (Independent) Director	Member	28.12.2021(I)	5/5
3.	Dr. Siyaram Singh Non-official (Independent) Director	Member	28.12.2021(I)	5/5
4.	Smt. Sabitha Bojan Non-official (Independent) Director	Member	28.12.2021(I)	5/5
5.	Shri Banshi Lal Gujar Non-official (Independent) Director	Member	04.03.2022(I)	4/5
6.	Shri Kuldip Narayan Chairman and Managing Director	Member	28.12.2021(I)	4/5

STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief Description of terms of reference

The role and terms of reference of the Stakeholders Relationship Committee is as defined in the Companies Act, 2013, SEBI (LODR) Regulations, 2015, and DPE guidelines on Corporate Governance, as amended from time to time. The Committee periodically reviews the status of investors grievances, bondholders, etc., pertaining to transmission/ demat of securities, non-receipt of annual report, dividend/interest warrants, repayment of principal and /or interest on fixed deposits/ bonds, etc., and in respect of various services being rendered by the Registrar & Transfer Agents.

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

Composition, name of members and Chairman, number of meetings and attendance

As on 31st March, 2023, the Stakeholders Relationship Committee comprised of 3 members, out of which, 2 members were Non-official (Independent) Director and 1 member was Functional Director. The Committee was headed by Non-official (Independent) Director. Shri Harish Sharma, Company Secretary & Compliance Officer acts as the Secretary of the Committee.

During the year, three meetings of the Committee were held on 26th July, 2022, 13th December, 2022 and 14th February, 2023.

The composition of the Stakeholders Relationship Committee and attendance of its members during the year was as under:

Sl. No.	Name and Designation	Chairman/ Member	Date of Induction(I)/ Cessation(C)	No. of meetings attended
1.	Dr. Siyaram Singh Non-official (Independent) Director	Chairman	28.12.2021(I)	3/3
2.	Smt. Sabitha Bojan Non-official (Independent) Director	Member	28.12.2021(I)	3/3
3.	Shri D. Guhan Director (Finance)	Member	31.12.2019(I)	3/3

Status of shareholder's grievances as on 31st March, 2023

The status of shareholder's grievances resolved/outstanding as on 31st March, 2023 was as under:

Opening balance	Received during the year	Resolved during the year	Closing balance
0	90	90	0

NOMINATION & REMUNERATION COMMITTEE

Brief Description and scope & terms of reference

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

Ministry of Corporate Affairs, Government of India, vide notification dated 5th June, 2015, exempted Government Companies from the requirement of carrying out formal annual evaluation by the Board of its own performance and that of its committees and individual directors, in case the Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, as per its own evaluation methodology. Further, MCA vide notification dated July 5, 2017, also prescribed that the provisions relating to review of performance of Independent Directors and evaluation mechanism prescribed in Schedule IV of the Companies Act, 2013, is not applicable to Government Companies.

HUDCO, being a Government Company, is exempted from the above provisions, as the evaluation of performance of all members of the Board of the Company is undertaken/carried out by the Administrative Ministry, as per its own evaluation methodology and assessed the quality, quantity, and timeliness of flow of information between the Company Management and the Board.

Composition, name of members and Chairperson, number of meeting and attendance

As on 31st March, 2023, the Nomination & Remuneration Committee comprised of 3 members, out of which, 2 members were Non-official (Independent) Directors and 1 member was Functional Director. The Committee was headed by Non-official (Independent) Director. Head of the HR Department is special invitee to the meetings of the Committee. The Company Secretary acts as the Secretary of the Committee.

During the year, two meetings of the Committee were held on 25th January, 2023 and 24th March, 2023.

The composition of the Nomination & Remuneration Committee and attendance of its members during the year was as under:

Sl. No.	Name and Designation	Chairperson/ Member	Date of Induction(I)/ Cessation(C)	No. of meetings attended
1.	Smt. Sabitha Bojan Non-official (Independent) Director	Chairperson	28.12.2021(I)	2/2
2.	Dr. Siyaram Singh Non-official (Independent) Director	Member	28.12.2021(I)	2/2
3.	Shri Kuldip Narayan Chairman & Managing Director	Member	28.12.2021(I)	2/2

The Committee was further reconstituted by the Board of Directors on 26th April, 2023. The revised composition of the Committee consists of three members namely - Smt. Sabitha Bojan as Chairperson, and Dr. Siyaram Singh & Shri Sanjeet as members of the Committee.

Remuneration of Directors and Key Managerial Personnel

The terms and conditions of appointment of Directors including service contracts, notice period, severance fee and payment of their remuneration is as per their terms of appointment as decided by the President of India. The Functional Directors and Company Secretary, being KMP have been paid remuneration during the financial year 2022-23 as under:

Name of Director/KMP	Salary/ Allowances (₹)	Benefits* (₹)	Gross Amount (₹)
Shri M Nagaraj Director (Corporate Planning)	90,20,087	23,92,882	1,14,12,969
Shri D Guhan Director (Finance) & CFO	82,97,538	7,34,018	90,31,556
Shri Harish Kumar Sharma Company Secretary	47,98,076	13,76,646	61,74,722
Total	2,21,15,701	45,03,546	2,66,19,247

*Benefits include medical reimbursement, leave encashment, perquisites, lease rent, EPF, etc.

Note: Shri Kamran Rizvi, (up to 21st October, 2022) and Shri Kuldip Narayan, (from 27th March, 2023) who were holding additional charge of the post of Chairman & Managing Director, HUDCO, as assigned by MoHUA, during the financial year 2022-23, were not paid any remuneration as per terms and conditions of their appointment.

Sitting Fee

During the financial year 2022-23, Non-official (Independent) Directors have been paid remuneration by way of sitting fee @ ₹ 20,000/- and ₹ 15000/- for attending each meeting of the Board and Committees of the Board respectively as approved by the Board and the Administrative Ministry, as per details given hereunder:

Name of the Director	Sitting Fee		Total (₹)
	Board Meeting (₹)	Committee Meeting (₹)	
Dr. Ravindra Kumar Ray	1,80,000	1,95,000	3,75,000
Dr. Siyaram Singh	2,00,000	2,70,000	4,70,000
Smt. Sabitha Bojan	2,00,000	2,85,000	4,85,000
Shri Banshi Lal Gujar	1,60,000	1,50,000	3,10,000

In addition to sitting fee, Independent Directors are also provided boarding/lodging/conveyance for attending the meetings of the Board/ Committee from the company.

The Part-time Official (Government) Directors are not entitled to any remuneration/ sitting fee from the Company.

Except as mentioned above, non-executive directors have no pecuniary relationship or transaction with the Company during the year.

RISK MANAGEMENT COMMITTEE

Brief Description of terms of reference

The role and terms of reference of the Risk Management Committee of the Board is as defined in the SEBI (LODR) Regulations, 2015, and NHB Regulations, as amended from time to time. The Committee assess the various risks to which the company is exposed to and suggests various strategies for their mitigation besides other matters. The Committee is assisted by three sub-committees namely Assets & Liabilities Management Committee, Credit Risk Management Committee and Operational Risk Management Committee.

Composition, name of members and Chairman, number of meeting and attendance

As on 31st March, 2023, the Risk Management Committee comprised of 4 members, out of which 1 member was Part-time Official (Government) Director, 2 members were functional directors and 1 member was Non-official (Independent) Director. The Committee was headed by Part-time Official (Government) Director. Chief Risk Officer is a permanent invitee to the meetings of the Committee with the defined roles and responsibilities. Company Secretary acts as the Secretary of the Committee.

During the year, two meetings of the Committee were held on 13th December, 2022 and 13th February, 2023.

The composition of the Risk Management Committee and attendance of its members during the year was as under:

Sl. No.	Name and Designation	Chairman/ Member	Date of Induction(I)/ Cessation(C)	No. of meeting(s) attended
1.	Shri Sanjeet Part-time Official (Government) Director	Chairman	25.01.2023(I)	1/1
2.	Shri M Nagaraj Director (Corporate Planning)	Member	20.02.2019(I)	2/2
3.	Shri D Guhan Director (Finance)	Member	31.12.2019(I)	2/2
4.	Dr. Ravindra Kumar Ray Non-official (Independent) Director	Member	28.12.2021(I)	2/2
5.	Shri Shyam Sunder Dubey Part-time Official (Government) Director	Chairman	11.06.2020(I) 12.10.2022(C)	0/0

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

COMMITTEE OF DIRECTORS TO OVERSEE SUSTAINABLE DEVELOPMENT ACTIVITIES INCLUDING R&D

With a view to oversee activities pertaining to training, capacity building and innovation through research & development, HUDCO has in place Committee of Directors to oversee the Sustainable Development Activities including R&D.

As on 31st March, 2023, the Committee comprised of 5 members namely, Shri Banshi Lal Gujar, Non-official (Independent) Director as Chairman of the Committee, Dr. Siyaram Singh, Shri Kuldip Narayan, Shri M Nagaraj and Shri D. Guhan, Director(s) as its members. Head of HSML is special invitee to the meeting(s) of the Committee. During the year, no meeting of the Committee was held.

COMMITTEE TO REVIEW NPAs

In order to monitor and improve operational and financial health of HUDCO, your Company has in place a committee to review Non-Performing Assets (NPAs).

As on 31st March, 2023, the Committee comprised of 5 members, out of which 1 member was Part-time Official (Government) Director, 2 members were functional directors and 2 members were Non-official (Independent) Directors. The Committee was headed by Non-official (Independent) Director. Head of Defaults Wing is special invitee in the Committee meeting(s). Company Secretary acts as Secretary of the Committee.

During the year, one meeting of the Committee was held on 14th March, 2023.

The composition of the Committee and attendance of its members during the year was as under:

Sl. No.	Name and Designation	Chairman/Member	Date of Induction(I)/Cessation(C)	No. of meeting(s) attended
1.	Shri Banshi Lal Gujar Non-official (Independent) Director	Chairman	25.01.2023(I)	1/1
2.	Shri M Nagaraj Director (Corporate Planning)	Member	20.02.2019(I)	1/1
3.	Shri D Guhan Director (Finance)	Member	31.12.2019(I)	1/1
4.	Shri Sanjeet Part-time Official (Government) Director	Member	25.01.2023(I)	1/1
5.	Smt. Sabitha Bojan Non-official (Independent) Director	Member	28.12.2021(I)	1/1
6.	Shri Shyam Sunder Dubey Part-time Official (Government) Director	Chairman	08.08.2019(I) 12.10.2022(C)	0/0

REVIEW COMMITTEE ON WILFUL DEFAULTERS

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

As on 31st March, 2023, the Committee comprised of 5 members namely, Shri Kuldip Narayan, Chairman & Managing Director, as Chairman of the Committee, Shri M Nagaraj, Director (Corporate Planning), Shri D. Guhan, Director (Finance), Shri Sanjeet, Part-time Official (Government) Director and Dr. Ravindra Kumar Ray, Non-official (Independent) Director as members of the Committee. The Company Secretary acts as Secretary of the Committee. During the year, no meeting of the Committee was held.

4. GENERAL BODY MEETINGS

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

Meeting No.	Financial Year	Location	Date	Time	Whether any special resolution passed
52 nd	2021-22	Through VC/OAVM at the Registered Office of the Company located at HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi-110003	26.09.2022	12.00 noon	Yes
51 st	2020-21	Through VC/OAVM at the Registered Office of the Company located at HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi-110003	30.09.2021	3:30 p.m.	Yes
50 th	2019-20	Through VC/OAVM at the Registered Office of the Company located at HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi-110003.	30.09.2020	3:00 p.m.	Yes

POSTAL BALLOT

During the financial year, 1 ordinary resolution for appointment of Shri Sanjeet, Part-time official Director was passed by the shareholders with requisite majority by way of postal ballot through e-voting. The e-voting commenced on 31st December, 2022 and ended on 29th January, 2023 (both days inclusive). Shri Hemant Kumar Singh, Company Secretary (Membership No. FCS: 6033) failing him Mr. Pankaj Kantha (Membership No. FCS: 10257), Partner(s), M/s Hemant Singh & Associates, Company Secretaries in Practice were appointed as the scrutinizer to scrutinize the postal ballot through e-voting in a fair and transparent manner. Based on the scrutinizer's report, the results of the postal ballot through e-voting were declared on 30th January, 2023, which is tabulated as under:

Sl. No.	Resolutions	No. of votes polled	No. of votes in favour	% of votes polled in favour	No. of votes against	% of votes polled against
1.	Appointment of Shri Sanjeet (DIN: 09833776) as Part-time Official Director, as per the terms and condition of his appointment approved by the President of India (Ordinary resolution)	1778722325	1778514041	99.99	208284	0.01

Further, none of the business proposed to be transacted at the ensuing Annual General Meeting requires passing through postal ballot.

5. MEANS OF COMMUNICATION

The unaudited quarterly/half yearly and audited annual financial results are communicated to the shareholders and other persons entitled thereto by way of hosting the same on the website of the Stock Exchanges and at Company's website at www.hudco.org.in. and are also published in leading newspapers like Economic Times, Financial Express, Mint in English and Nav Bharat Times, Jansatta, Business Standard, Punjab Kesari, Dainik Jagran, Hindustan in vernacular language having wide circulation across the country.

Annual Report containing inter-alia Audited Financial Statements both standalone and consolidated, Director's Report, Management Discussion & Analysis Report, Business Responsibility & Sustainability Report, Corporate Governance Report, Auditors Report and other important information(s) is sent electronically to all the members and others persons entitled thereto at their registered email addresses and is also hosted at the website of the Stock Exchanges and at Company's website at www.hudco.org.in.

The periodical compliances required to be made with the Stock Exchanges like, Notice of the Board meetings/ AGM/ Postal Ballot, quarterly/ half yearly/ annual financial results, notice of closure of trading window, shareholding pattern, Shareholders grievance report, Corporate Governance Report and other statutory report/ event based compliances as required under the SEBI (LODR) Regulations, 2015, are filed by the company electronically on the portal of NSE and BSE within the stipulated timelines for information of the investors/shareholders.

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

HUDCO releases display advertisement on HUDCO's foundation day every year to promote HUDCO's brand image, in the mainline newspapers at the Pan India level. Apart from advertisement, press releases are issued to the media for release in leading newspapers for various events like sports day, Woman's Day, Annual Day, Training Programmes, MoU, Yoga Day, Vigilance Awareness, Hindi Diwas, etc.

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

6. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting – Date, time, and venue (financial year 2022-23)

Number	53 rd
Day and Date	Thursday, 21 st September, 2023
Time	12:00 Noon (IST)
Venue	The Company is conducting AGM through Video Conferencing/Other Audio-Visual means pursuant to MCA circular. The proceeding of the AGM shall be deemed to be conducted at the registered office of the Company located at HUDCO Bhawan, Core 7A, India Habitat Centre, Lodhi Road, New Delhi-110003.

Dividend payment date

During the year, the Board of Directors had approved payment of interim dividend of ₹ 0.75/- (7.50 %) per equity share having face value of ₹10/- each totalling to ₹ 150.14 crore on the paid-up equity share capital of the Company and the same was paid within the prescribed time period.

Further, Board of Directors has recommended final dividend @ ₹ 3.10 /- (31%) per equity share having face value of ₹10/- each for the financial year 2022-23, subject to approval of the shareholders in the 53rd Annual General Meeting and it would be paid within 30 days from the date of its declaration at the Annual General Meeting.

On approval by the shareholders, the total dividend for the financial year 2022-23 will be ₹ 3.85/- (38.50%) per equity share.

Listing of Securities

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

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip Code – 540530

National Stock Exchange of India Limited (NSE)

Bandra Kurla Complex,
Bandra (East),
Mumbai – 400051
Scrip Code – HUDCO

Further, it is confirmed that the company has paid annual listing fee to the Stock Exchanges for the financial year 2023-24. The shares of the Company are frequently traded at the Stock Exchanges and have not been suspended from trading during the year under review.

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

The monthly high, low, and closing prices of Company's equity shares in comparison to broad based indices such as BSE Sensex and NSE Nifty during the financial year 2022-23 were as follows:

Performance of Share at BSE in comparison to BSE Sensex during 2022-23.

Performance of Share at BSE (In ₹)			Movement of BSE Sensex			
Month	High	Low	Month Close	High	Low	Month Close
April 2022	38.75	32.65	35.25	60,845.10	56,009.07	57,060.87
May 2022	36.35	30.90	35.95	57,184.21	52,632.48	55,566.41
June 2022	36.75	32.25	34.75	56,432.65	50,921.22	53,018.94
July 2022	37.00	34.55	36.70	57,619.27	52,094.25	57,570.25
August 2022	40.80	36.50	40.55	60,411.20	57,367.47	59,537.07
September 2022	43.05	34.35	35.20	60,676.12	56,147.23	57,426.92
October 2022	37.30	34.80	36.30	60,786.70	56,683.40	60,746.59
November 2022	55.15	36.30	53.25	63,303.01	60,425.47	63,099.65
December 2022	58.85	45.25	52.10	63,583.07	59,754.10	60,840.74
January 2023	54.85	44.70	48.45	61,343.96	58,699.20	59,549.90
February 2023	49.60	42.65	43.50	61,682.25	58,795.97	58,962.12
March 2023	49.75	40.50	43.34	60,498.48	57,084.91	58,991.52

Performance of Share at NSE in comparison to NSE NIFTY during 2022-23.

Performance of Share at NSE (In ₹)				Movement of NSE NIFTY		
Month	High	Low	Month Close	High	Low	Month Close
April 2022	38.80	32.70	35.25	18,114.65	16,824.70	17,102.55
May 2022	36.35	30.60	35.95	17,132.85	15,735.75	16,584.55
June 2022	36.85	32.25	34.80	16,793.85	15,183.40	15,780.25
July 2022	37.10	34.55	36.70	17,172.80	15,511.05	17,158.25
August 2022	40.85	36.50	40.55	17,992.20	17,154.80	17,759.30
September 2022	43.05	34.35	35.25	18,096.15	16,747.70	17,094.35
October 2022	37.30	34.80	36.30	18,022.80	16,855.55	18,012.20
November 2022	55.20	36.35	53.30	18,816.05	17,959.20	18,758.35
December 2022	58.85	45.30	52.10	18,887.60	17,774.25	18,105.30
January 2023	54.85	44.70	48.50	18,251.95	17,405.55	17,662.15
February 2023	49.65	42.65	43.50	18,134.75	17,255.20	17,303.95
March 2023	49.80	40.40	43.25	17,799.95	16,828.35	17,359.75

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

Registrar and Share Transfer Agents (RTA),
Alankit Height, 4E/2,
Jhandewalan Extension,
New Delhi-110055
Email-id : rta@alankit.com,
Tel. No. : 011-4254-1234/2354-1234,
Fax No. : 011-2355-2001
Website : www.alankit.com

b) For Bonds
K-Fin Technologies Ltd.,

Selenium Tower B,
Plot Nos. 31 - 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad , Rangareddi- 500032, Telangana
Te. No. : 040-67162222
(Tollfree) : 18003094001
Email : einward.ris@kfintech.com
Website : www.kfintech.com

Beetal Financial & Computer Services Private Ltd

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

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

Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai - 400 020.
Tel. No. : 022-43025566, 43025555
Email : corporate@sbicaptrustee.com
Website : www.sbicaptrustee.com

b) For Public Deposit
Vistra ITCL (India) Limited

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

Share Transfer System

As per amended SEBI(LODR) Regulations, 2015, physical transfer of securities is not permissible w.e.f., 1st April, 2019, hence Shareholders holding shares in physical form are requested to get their shares dematerialized with their depositories.

The shares of the company are compulsorily traded electronically in a dematerialized form, accordingly, the same are available for trading with both the depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), through their respective Depository Participants.

All requests for transmission, dematerialization, etc., are attended by Registrar & Transfer Agent (R&TA) of the Company as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and the same are processed & completed within the stipulated time line subject to completion of all the formalities relating thereto.

Distribution of Shareholding as on 31st March, 2023

Number of Shares	Number of Share holders	% to total	Total Shares	Amount (in ₹)	% of Shares
001 - 500	276298	83.57	42009241	420092410	2.10
501 - 1000	26525	8.02	21876494	218764940	1.09
1001 - 2000	13777	4.17	21338398	213383980	1.07
2001 - 3000	4728	1.43	12214545	122145450	0.61
3001 - 4000	2189	0.66	7932813	79328130	0.40
4001 - 5000	2113	0.64	10073173	100731730	0.50
5001 - 10000	2906	0.88	21970356	219703560	1.10
10001 & above	2079	0.63	1864484980	18644849800	93.13
Total	330615	100.00	2001900000	20019000000	100.00

Shareholding Pattern

Category	As on 31 st March, 2023	
	Number of shares	Percentage of total
President of India	1637677479	81.81
Insurance Companies*	122304271	6.11
Mutual Funds	23600557	1.18
Bodies Corporate	9887307	0.49
Banks	60500	0.00
Foreign Portfolio investors	5915359	0.30
Resident Individuals	183262291	9.15
HUF	10942794	0.54
Employees	751870	0.04
Non-Resident Indians	3391727	0.17
Non-Resident Non-Repatriates	1723446	0.09
Clearing Members	2258553	0.11
Trusts	123846	0.01
Total	2001900000	100.00

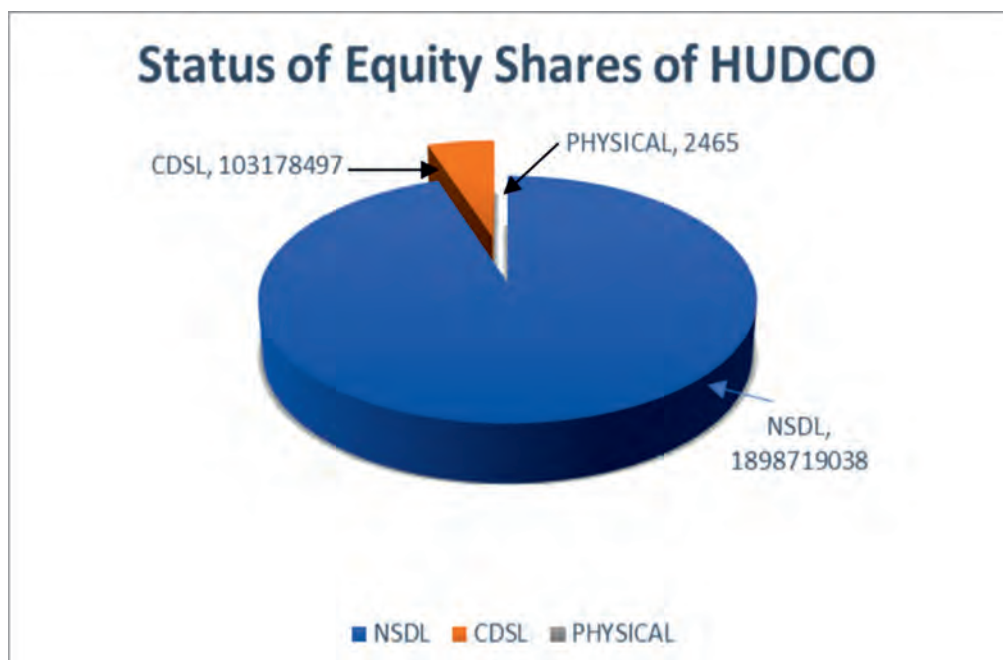
* Life Insurance Corporation of India holds 115745860 (5.78%) number of equity shares of HUDCO.

Dematerialization of shares and liquidity

The status of dematerialization of equity shares with NSDL and CDSL and holding of shares in physical mode as on 31st March, 2023 was as follows:

Particulars	No. of Equity Shares	% to Share Capital
NSDL	1898719038	94.85
CDSL	103178497	5.15
Physical (Public)	2465	0.00
Total	2001900000	100.00

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



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

The Company has not issued any GDRs/ADRs Warrants or any convertible instrument as on 31st March, 2023.

Commodity price risk or foreign exchange risk and hedging activities

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

Plant Location

HUDCO being a finance company, does not have any plant/ manufacturing unit. The Company has its presence on pan India basis and is being managed through 21 Regional Offices and 11 Development Offices apart from its Registered Office located in New Delhi.

Address for correspondence

Housing and Urban Development Corporation Limited

HUDCO Bhawan, Core - 7A,
India Habitat Centre, Lodhi Road,
New Delhi – 110003

CIN : L74899DL1970GOI005276
Telephone Nos. : 011-24648160
Website : www.hudco.org.in
E-mail id : cswhudco@hudco.org

7. OTHER DISCLOSURES

- a. HUDCO has in place a Vigilance Mechanism for its employees and Directors' which provides for adequate safeguards against victimization of the persons who use such mechanism by making provision for direct access to the Chairperson of Audit Committee. The Whistle Blower Policy is also in place to investigate the complaints for disclosure on allegation of corruption or misuse of office while keeping the identity of the complainant secret. The policy is available on website of the Company, i.e., www.hudco.org.in;
- b. Disclosure with respect to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is given in the Directors Report;
- c. During the financial year 2022-23, Ministry of Housing and Urban Affairs (MoHUA), Government of India, vide letter dated 1st August, 2022 has issued the Presidential Directive regarding continuation of the implementation of 3rd Pay Revision pay package for Board level and below Board level Executives and Non-executives for a further period of three years with effect from 1st January, 2020 as per guidelines contained in Department of Public Enterprises office memorandum dated 4th August, 2017, 7th September, 2017 and 21st August, 2020. The said Presidential Directive has been duly complied with by the Company. Apart from above, no other Presidential Directive was issued by MoHUA in the last three years.

Further, after closure of financial year 2022-23, MoHUA, has issued a Presidential Directive vide letter dated 29th May, 2023 regarding continuation of the implementation of 3rd Pay Revision pay package for Board level and below Board level Executives and Non-executives for a further period of three years with effect from 1st January, 2023 as per guidelines contained in Department of Public Enterprises office memorandum dated 4th August, 2017, 7th September, 2017, and 21st August, 2020. The said Presidential Directive has been duly complied with by the Company.
- d. Disclosure with respect to related party transactions, is given in the Annual Report; Policy for determining 'material subsidiaries' and 'Related party transactions' are available on the Company's website at following web link(s): <https://hudco.org/writereaddata/Policy%20for%20determining%20Material%20Subsidiaries.pdf>; and <https://hudco.org.in/writereaddata/Policy%20on%20Materiality%20of%20Related%20Party%20Transactions%20and%20Dealing%20withRelated%20Party%20Transactions%20.pdf>
- e. During the year, no expenditure of personal nature has been incurred on behalf of the Board of Directors of the Company and top management;
- f. During the year, no expenditure has been debited in the books of accounts, which are not for the purposes of business of the Company;
- g. During the year, personnel and administrative expenses & financial expenses constitutes 3.89 % and 93.97 % of the total expenditure respectively as compared to 4.68% and 97.45% of that of the last year respectively;
- h. During the year, the Company has paid ₹ 53.47 lakhs to M/s APRA & Associates, LLP, the Statutory Auditors of the Company towards various services provided/ rendered by them;
- i. The Audit report for the year 2022-23 has been reviewed by the Audit Committee as well as by the Board and the management reply, wherever required has been given by way of addendum;
- j. Disclosure with respect to credit ratings obtained by the company both domestic and international is given in the Directors' Report;
- k. The company has not made any preferential allotment or qualified institutional placement in respect of equity shares during the year. Further, the amount raised during the year, through issue of non-convertible debt securities on private placement basis have been fully utilized for the purpose stated in the Offer document(s)/ Information Memorandum and there has been no deviation/ variation in the use of proceeds from the objects stated in the Offer document(s)/ Information Memorandum;
- l. A certificate from M/s Suman Kumar & Associates, Practising Company Secretaries, certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Companies by the SEBI/ Ministry of Corporate Affairs or any statutory authority is annexed to this report;
- m. The Board of Directors of the Company has adopted a Code of Conduct for its Board members and senior management personnel. The copy of the code is available on company's website at www.hudco.org.in. Board members and Senior Management personnel have affirmed compliance with the 'Code of Conduct' for the financial year ended 31st March, 2023 and a declaration signed by Chairman & Managing Director in this regard is annexed with the Directors Report;
- n. The company is complying with all the mandatory requirements of SEBI (LODR) Regulations, 2015 specifically with reference to compliances of Regulations 17 to 27 and 46(2)(b) to (i), Companies Act, 2013 and DPE guidelines, except the composition of the Board which was not in compliance with Regulation 17(1) of the SEBI (LODR) Regulations, 2015,

during the year, however, the same is in compliance as on 31st March, 2023, for details, Secretarial Audit Report annexed with the Directors' Report may be referred;

- o. The company has complied with National Housing Bank's credit concentration norms except in one case of investment in another HFC, viz, Indbank Housing Limited (IBHL), a subsidiary of Indian Bank in which the Company has invested 25% capital of investee.

The Company had invested ₹ 2.50 crore, out of total paid up capital of ₹ 10 crore, in the equity shares of IBHL in the year 1990-91 and 1991-92, resulting in investment to the extent of 25% of the equity. The investment was made before regulatory guidelines were issued. No further investment was done nor any disinvestment has been made. Further, the Company has sought relaxation from RBI in the above said case vide letter dated 16th June, 2023.

However, in case of loans to Governments/Public agencies, the norms communicated to HUDCO by NHB vide letter no. NHB(ND)/DRS/SUP/3911/2018 dated 2nd April 2018, letter No. NHB(ND)/DRS/SUP/7085/2018 dated 13th July 2018, letter No. NHB(ND)/ DRS/SUP/879/2019 dated 8th March, 2019 respectively have been complied with. Further, RBI vide letter dated 26th March, 2021 advised that the exemption from concentration/ exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions as specified while granting such exemptions. Further, RBI vide letter dated 10th April, 2023, has also been requested to allow HUDCO to continue operations with exemption from applicability of concentration of credit/investment norms consequent upon registration as NBFC-IFC.

The Company had submitted application to RBI on 29th March, 2022 to convert from HFC to NBFC-IFC. In reference, thereof, RBI vide letter dated December 22, 2022, expressed its inability to accede to the Company's request for conversion of Certificate of Registration (CoR) to an NBFC-IFC owing to non-fulfillment of certain condition of RBI Master Directions for NBFCs. After detailed deliberation and ensuring compliance with the RBI Master Directions for NBFCs, the company has resubmitted the application with necessary documents with RBI for conversion of certificate as NBFC-IFC on February 22, 2023. In view of the above, the management reckons to receive the response from RBI in financial year 2023-24. Till such time, the Company continues to retain the status of HFC.

- p. During the preceding 3 years, no penalty was imposed and/or stricture was passed on the Company by any Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to the capital market, operations or guidelines issued by the Government.

However, the Company has been receiving notice(s) from both the Stock Exchange(s), namely, National Stock Exchange of India Limited, and BSE Limited, regarding non-compliance with the requirement of Corporate Governance as prescribed under SEBI (LODR) Regulations, 2015 with respect to non-appointment of requisite number of Independent Directors including one women Director, composition of the Board/ Committees, quorum of the meetings, etc., and have levied a fine of ₹ 2,10,79,520/- (NSE and BSE of ₹ 1,05,39,760/- each), from the quarter ending September, 2019 to December, 2022.

Based on Company's representation, the Stock Exchanges have waived off fine amounting to ₹ 76,88,880/- (NSE-₹ 38,01,960/- starting from quarter ending June, 2020 to December, 2021 and BSE- ₹ 38,86,920/- starting from quarter ending December, 2019 to December, 2020). The total outstanding fine as on 31st March, 2023 amounts to ₹ 1,33,90,640/- (NSE ₹ 67,37,800/- and BSE- ₹ 66,52,840/-), request for waiver of which has been made to the Stock Exchanges.

As on 31st March, 2023, composition of the Board consists of 8 directors comprising of 3 functional directors including Chairman & Managing Director, 1 Part-time Official (Government) Director and 4 Part-time (Independent) Directors, which is in compliance with SEBI (LODR) Regulations, 2015, Companies Act, 2013 and DPE guidelines.

Further, after the closure of financial year, MoHUA, GoI, has appointed one more Part time official (Government) Director on the Board of HUDCO, accordingly, thereafter, composition of the Board is not in compliance with SEBI (LODR) Regulations, 2015, as it is short of one Independent Director; and

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

1.	The Board	:	As on 31 st March, 2023, the Board of HUDCO consists of eight directors comprising of three functional directors including Chairman & Managing Director, one Government director and four Independent Directors. The Board is headed by Executive Chairman.
2.	Shareholders Rights	:	In compliance of SEBI (LODR) Regulations, 2015, the unaudited quarterly financial results are displayed/ hosted on the website of the Stock Exchanges, and at Company's website and are also published in leading English newspapers and vernacular newspapers having wide circulation across the country.

			<p>Annual Report and other statutory/important information are also circulated to the members and others entitled thereto electronically at their email addresses registered with depositories and Registrar and Transfer Agent. In addition to above, the same are also displayed/available at the website of the Stock Exchanges and Company.</p> <p>Further, management presentation and price sensitive information, if any, is regularly intimated to Stock Exchange(s) for information of the shareholders.</p>
3.	Modified opinion(s) in Audit Report	:	The Company has not received any qualification from the Statutory Auditors on its Financial Statements of financial year 2022-23.
4.	Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	:	The Company is headed by Chairman & Managing Director, who is also the Chief Executive Officer and Key Managerial Personnel of the Company, appointed by the President of India in terms of Articles of Association of the Company and the terms and conditions of his appointment are determined by the President of India. Securities and Exchange Board of India has also changed the requirement for top 500 listed companies to separate roles of chairperson and MD & CEO from mandatory to voluntary.
5.	Reporting of Internal Auditor	:	The company is having a separate Internal Audit Department and Head Internal Audit directly reports to the Chairman & Managing Director. Internal Audit of Regional Offices/ various departments at Head Office is conducted in house by the internal audit department and/or outsource firm of Chartered Accountants as per Annual Audit programme approved by the Audit Committee. Head of the Internal Audit Department is invited in all the Audit Committee meetings. Significant Audit Observations are put up for consideration of the Audit Committee periodically.

For and on behalf of the Board of Director

Sd/-

Kuldip Narayan

Chairman & Managing Director

(DIN: 03276525)

Place : New Delhi

Date : 22nd August, 2023



Women and Neonatal Hospital at Solapur, Maharashtra

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of Directors	DIN	Date of Appointment
1.	Mr. Kuldip Narayan	03276525	02/11/2021
2.	Mr. Muniappa Nagaraj	05184848	01/02/2019
3.	Mr. Duraiswamy Guhan	06757569	31/12/2019
4.	Mr. Sanjeet	09833776	22/12/2022
5.	Dr. Ravindra Kumar Ray	09394495	22/11/2021
6.	Mrs. Bojan Sabitha	09398364	22/11/2021
7.	Dr. Siyaram Singh	09402727	22/11/2021
8.	Mr. Banshi Lal Gujar	09462128	09/01/2022

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

**For Suman Kumar and Associates
Company Secretaries**

Sd/-
(CS Suman Kumar)
Prop.

Membership No : FCS 6127
C.P. No. : 6564
UDIN: F006127E000458458

Place : New Delhi
Date : 05.06.2023

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

To the Members of

Housing and Urban Development Corporation Limited

We have examined the Compliance of conditions of Corporate Governance by Housing and Urban Development Corporation Limited ("the Company") for the year ended 31st March, 2023.

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

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

- The Company has not complied with the requirement of Regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with respect to the Composition of Board of Directors.

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

However, consequent upon cessation of one Government Director w.e.f 12th October, 2022 the composition of the Board was duly complied till 31st March, 2023 according to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

- Further the continuous gap between two consecutive meeting of Risk Management Committee exceeded 180 days according to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As Explained by the Company that during the period under review two meetings of Risk Management Committee were held i.e., on 13.12.2022 & 13.02.2023 within prescribed time period.

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

FOR MALHOTRA ARORA & ASSOCIATES
Company Secretaries

Sd/-
Dikshant Malhotra
Partner

FCS: 11008

C P No.:14622

Peer Review Cert: 3806/2023

UDIN: F011008E000711191

Place : Gurugram, Haryana

Date : 31.07.2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L74899DL1970GOI005276
2.	Name of the Listed Entity	Housing and Urban Development Corporation Limited
3.	Year of incorporation	1970
4.	Registered office address	HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003
5.	Corporate address	same as above
6.	E-mail	cswhudco@hudco.org
7.	Telephone	011-24649610-21
8.	Website	www.hudco.org.in
9.	Financial year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital (In ₹)	2001.90 crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: Name Contact E-mail	Shri Harish Kumar Sharma, Company Secretary 011-24646899 cswhudco@hudco.org
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of main activity	Description of business activity	% of turnover of the entity
1.	Financial Services	Housing Finance (including Retail Lending) and Non-Housing Loan pertaining to Urban-infrastructure.	98.18%

15. Product /services sold by the entity activities (accounting for 90% of the entity's turnover):

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1.	<ul style="list-style-type: none"> Housing & Infrastructure Project Finance (including Retail Lending) Consultancy Services. Conducting Capacity building program/ workshop/ seminars for government officials both national and international 	NIC 2004 Code-65922	98.20%

III. Operations
16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	-	The operations of the company are carried out through, Head Office, 21 Regional Offices, 11 Development Offices located all over India and 1 Human Settlement Management Institute Office (HSMI).	34
International	-	The Company has no overseas office.	-

17. Markets served by the entity
a. Number of locations

Location	Number
National:	
---States	26
---Union Territories	5
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the entity? – Nil

- c. A brief on types of customers-** State Government, State Government agencies like Housing Boards, Rural Housing Boards, Development Authorities, Urban Improvement Trusts, State Government Undertakings, Public Sector Undertakings, State Level Apex Housing Cooperatives, Police Corporations, Joint Venture Agencies having more than 51% government sector shareholding shall be considered as eligible for funding by HUDCO provided they are competent under the Constitution or the Statutes governing them to raise loans for the purpose.

IV. Employees
18. Details as at the end of Financial Year
A. Employees and workers (including differently abled):

Sl. No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	673	459	68.20	214	31.79
2	Other than Permanent (E)	-	-	-	-	-
3	Total employees (D + E)	673	459	68.20	214	31.79
WORKERS						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total workers (F + G)	-	-	-	-	-

B. Differently abled Employees and workers:

Sl. No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	13	9	69.24	4	30.76
2	Other than Permanent (E)	-	-	-	-	-

Sl. No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
3	Total differently abled employees (D + E)	13	9	69.24	4	30.76
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	Total differently abled workers (F + G)	-	-	-	-	-

19. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.50%
Key Managerial Personnel (including functional directors)	4	0	0%

20. Turnover rate for permanent employees and workers:

Particulars	Turnover rate in FY 2022-23			Turnover rate in FY 2021-22			Turnover rate in FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.50	2.79	4.65	7.36	4.92	6.61	5.42	3.45	4.82
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)
21. Names of holding/subsidiary/associate companies/joint ventures:

Sl. No.	Name of the holding/ subsidiary/ associate companies /joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Pragati Social Infrastructure & Development Ltd. (PSIDL)	Joint Venture	26	No
2	Shristi Urban Infrastructure Development Ltd. (SUIDL)	Joint Venture	40	No
3	Signa Infrastructure India Ltd. (SILL),	Joint Venture	26	No
4	Ind Bank Housing Limited	Associate	25	No

VI. CSR Details
22.

(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013 (Yes/No):	Yes
(ii)	Turnover	₹ 7,049.46 crore (Revenue from Operations)
(iii)	Net Worth	₹ 15,445.25 crore

VII. Transparency and Disclosure Compliances
23. Complaints /Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)	(If yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
			Number of Complaints filed during the Year	Number of Complaints pending resolution at close of the Year	Remarks	Number of Complaints filed during the Year	Number of Complaints pending resolution at close of the Year	Remarks
Investors (other than shareholders)	Yes*	PI see footnote	1299	0	-	2085	0	-
Shareholders	Yes*	PI see footnote	90	0	-	77	0	1 complaint pertaining to FY 2020-21 resolved in the month of April, 2021.
Employees and workers	Yes	Available on intranet	0	0	-	0	0	-
Customers	Yes**	https://hudco.org.in/writerereaddata/grievance_redressal.pdf	45	1	1 pending complaint resolved in the month of June, 23	47	1	1 pending complaint resolved in the month of April, 2022
Value Chain Partners	Yes		0	-	0	0	-	0
Other (please specify)	-	-	-	-	-	-	-	-

* The Company has Stakeholder Relationship Committee to redress the complaints received from the securityholders as per SEBI Listing Regulations. The bondholders/ shareholders can register their complaints/ grievances at the company's/ Registrar and Transfer Agent(s) email ids given in the Annual Report under the chapter Corporate Governance.

** The complaints under the head 'Customers' includes 42 and 36 complaints pertaining to bonds, shares/dividend for the financial year 2021-22 and 2022-23 respectively.

24. Overview of the entity's material responsible business conduct issues:

Please refer to Directors' Report (Annexure-1) namely Management Discussion and Analysis Report under the heading Opportunities, Threats, Risks and Concerns.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosures Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management process										
1.	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	N	Y	Y	Y	N	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Yes (as applicable)								
	c. Web Link of the Policies, if available	www.hudco.org.in Some policies being internal documents are available to the employees through the company's intranet.								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	N/a	Y	Y	Y	N/a	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company has not mandated its value chain partners, like its vendors, suppliers, etc., to participate in the BR initiatives of the Company. However, they are encouraged to adopt BR initiatives and follow the model expected from responsible business entities.								
4.	Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	HUDCO has ISO 9001:2015 certification for Quality Management systems from National Accreditation Board for Certification Bodies (NABCB)/ United Accreditation Service (UKAS) through M/s United Registrar of Systems (URS) Certification Ltd., for its major business processes covering Project and Retail Financing Services, Resource Mobilisation for funding, Consultancy Services, Training, Research & Networking.								

Disclosures Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	HUDCO enters MoU with its Administrative Ministry, i.e., Ministry of Housing and Urban Affairs (MoHUA), Government of India every year containing the targets/ goals to be achieved for the key performance parameters on operational, financial, and regulatory front.								
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	The performance of HUDCO is evaluated by Department of Public Enterprises (DPE), Ministry of Finance, Government of India every year based on MoU targets fixed between the Company and Administrative Ministry, the detail of which is given in the Directors' Report.								
Governance Leadership and Oversight										
7.	Statement by Director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	HUDCO as lending institution encourages projects which are environmentally safe and secure. The Company ensures that the projects funded by it meets the necessary parameters towards environmental protection, for which necessary stipulations have been incorporated at the appraisal stage. HUDCO being an energy conscious organization, has taken various initiatives in the direction of energy conservation on a continuous basis.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Shri Muniappa Nagaraj Director (Corporate Planning) DIN: 05184848								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Shri Muniappa Nagaraj Director (Corporate Planning) DIN: 05184848								
10.	Details of Review of NGRBCs by the Company									
	Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee and Frequency (Annually / Half yearly / Quarterly/ Any other-please specify)								
	Performance against above policies and follow up action	Relevant policies of the Company are reviewed periodically on a need basis. The necessary changes to policies and procedures are implemented accordingly.								
	Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company is in compliance with, to the extant regulations as applicable								
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency	The processes and compliances are subject to audits and inspections as applicable. The policies are reviewed on a periodical basis by the respective departments and updated accordingly. The updated policies with changes recommended by the management of the Company are placed before the Board for its approval, as applicable. An internal assessment of the workings of the policies has been carried out as stated above.								
12.	If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated									
	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The entity does not consider the principles material to its business (Yes/No)		No@				No@			
	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
	The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
	It is planned to be done in the next financial year (Yes/No)									
	Any other reason (please specify)									

@ HUDCO being a finance company, hence Principle P-2 & P-6 has very limited applicability in its operations.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE
ESSENTIAL INDICATORS
1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Orientation Programme for Independent Directors on various topics like Specific Roles and Responsibilities of ID/ NOD in Boards and Committees, Board Dynamics, understanding finance for effective decision-making Role of Committees, Managing Risk, Uncertainties & Crisis, Learning Resources, and tools, etc.	50%
Key Managerial Personnel	Nil	-	-
Employees other than BoD and KMPs	38	Various training programmes/ webinars on various topics viz. Finance (Ind-As, GST, Taxation, etc.), IT (ERP HRMS module), Projects (Affordable Housing, Environmental Sustainability, Housing Finance), Health (Yoga, Stress Management), HRMA (Procurement), Real Estate, Consultancy, and ISO, etc.	46.36%
Workers	-	-	-

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			NIL		
Settlement			NIL		
Compounding fee			NIL		

The Company has been receiving notice(s) from both the Stock Exchange(s), namely, National Stock Exchange of India Limited, and BSE Limited, regarding non-compliance with the requirement of Corporate Governance as prescribed under SEBI(LODR) Regulations, 2015 with respect to non-appointment of requisite number of Independent Directors including one women Director, composition of the Board/ Committees, quorum of the meetings, etc., and have levied a fine of ₹ 2,10,79,520/- (NSE and BSE of ₹ 1,05,39,760/- each), from the quarter ending September, 2019 to December, 2022.

Based on Company's representation, the Stock Exchanges have waived off fine amounting to ₹ 76,88,880/- (NSE- ₹ 38,01,960/- and BSE- ₹ 38,86,920/-) starting from quarter ending December, 2019 to December, 2021. The total outstanding fine as on 31st, March, 2023 amounts to ₹ 1,33,90,640/- (NSE ₹ 67,37,800/- and BSE- ₹ 66,52,840/-), request for waiver of which has been made to the Stock Exchanges.

Non- Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			NIL		
Punishment			NIL		

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

HUDCO has in place Vigil Mechanism and Whistle Blower Policy to deal with instances of unethical behaviour, actual or suspected fraud or violation of the Company's general guidelines on conduct or ethics policy and mismanagement.

As per the directions of Central Vigilance Commission (CVC), the Corporate Vigilance Department (CVD) of the Company follows norms regarding anti-corruption and anti-bribery and continues to strive for improving the systems and procedures and strengthen the mechanism to ensure pre-emptive actions and advising reformatory measures in the possible areas prone to corruption/ financial irregularities.

The Company has in place various policies like Code of Conduct for Board members and Senior Management personnel and Prevention of Insider Trading Policy, etc., for conducting the affairs of the Company in a professional, ethical, fair, and transparent manner. Further, Company's Conduct, Discipline and Appeal (CDA) Rules, define the code for all employees and recognizes acts of bribery, corruption, etc., as misconduct. The above policies are available on the website of the company at www.hudco.org.in

5. Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption.

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	03	03
Worker	-	-

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of KMPs	NIL	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

Not Applicable

LEADERSHIP INDICATORS

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

HUDCO has conducted 6 programmes covering Principle 2, 3 & 6 during the year, the breakup of which is as under:

Principle 2	Webinar on 'Environmental Sustainability', 'Training programme on 'Urban Landscapes for Universal Mobility & Accessibility in Smart Cities' and Webinar on 'Neighbourhood Accessibility Planning and Pedestrianisation in Future Cities'.
Principle 3	Webinar on 'Stress and Anger Free Living and Lifestyle' and Webinar on 'Chair Yoga.'
Principle 6	Webinar on 'World Environment Day' and 'Only One Earth-Living Sustainably in harmony with nature'.

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No), If yes, provide details of the same.

The Company has Code of Conduct for Board Members and Senior management, which covers inter-alia the process of dealing with conflict of interests.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

HUDCO does not have any manufacturing facility, since, its main activities are financing, hence, there are no R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

HUDCO, being a finance Company, the above question has very limited applicability. However, being a responsible corporate entity, it promotes procurement of material/ goods/ services from Micro, Small and Medium Enterprises (MSMEs), GeM portal as per Government of India, policy/ guidelines issued from time to time.

b. If yes, what percentage of inputs were sourced sustainably?

During the financial year 2022-23, HUDCO, procured material/ goods/ services from MSMEs constituting 66.99% of its total procurement. The procurement from GeM portal was 57.49% in respect of MoU parameter.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for Plastics (including packaging), E-waste, Hazardous waste, other waste.

HUDCO being a finance company does not produce/have any type of waste, Hazardous waste, or other waste. Disposal of old, unserviceable, and obsolete IT equipment's identified as e-waste is being done through GeM/certified e-waste handlers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Not applicable.

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details

HUDCO is primarily engaged in activities pertaining to Housing Finance and Non-Housing Loans pertaining to Urban Infrastructure. The life cycle of financing activities involves various processes like:

- resource mobilization from different sources to meet its operational requirements,
- Loan processing to ascertain viability of the project from financial, technical, and legal prospective through appraisal process,
- Documentation
- Disbursement
- Monitoring
- Repayment
- Financial closure/completion

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not applicable, however, HUDCO being a lending institution encourages projects which are environmentally safe and secure. To address the environmental concerns, necessary stipulations have been incorporated at the appraisal stage.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not applicable.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

Product category	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (Including packaging)	-	-	-	-	-	-
E-waste	-	-	0.20 to 0.25 metric tons approx.	-	-	Nil
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not applicable.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	459	-	-	459	100	n/a	0	4	0.87	-	-
Female	214	-	-	214	100	1	0.46	n/a	-	-	-
Total	673	-	-	673	100	1	0.46	4	0.87	-	-
Other than Permanent Employees- Not applicable											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

HUDCO extends the facility of Benevolent Fund, EDLI, Social Security Scheme & GSLI to its employees

- b. Details of measures for the well-being of workers: Nil

2. Details of retirement benefits, for Current and Previous financial year.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	673 (100%)	NA	Y	702 (100%)	NA	Y
Gratuity	673 (100%)	NA	Y	702 (100%)	NA	Y
ESI	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

HUDCO registered office and its various offices are accessible to differently abled employees and visitors, with elevators and ramps, wheelchair, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company has equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 and the same is available on the intranet of the Company.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	-	-
Female	100%	100%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers?

Particulars	Yes/No	If yes, then give details of the mechanism (in brief)
Permanent Workers	No	-
Other than Permanent Workers		
Permanent Employees	Yes	Detail grievance redressal mechanism is in place and the same is available on the intranet of the Company.
Other than Permanent Employees		

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity.

The company does not have any recognised employee's association or Union.

8. Details of training given to employees and workers:

Category	Financial year 2022-23					Financial year 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Employees										
Male	201	33	16.41%	168	83.58%	223	-	-	223	100%
Female	124	26	21.00%	98	79.03%	126	70	55.55%	56	44.44%
Other	-	-	-	-	-	-	-	-	-	-
Total	325	69	21.23%	266	81.84%	349	70	20%	279	79.94%

Category	Financial year 2022-23					Financial year 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Workers-Not applicable										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

9. **Details of performance and career development reviews of employees and workers:**

Category	Financial year 2022-23			Financial year 2021-22		
	Total(A)	No.(B)	%(B/ A)	Total(D)	No.(E)	%(E / D)
Employees						
Male	523	523	100	552	552	100
Female	229	229	100	236	236	100
Other	-	-	-	-	-	-
Total	752	752		788	788	
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total	-	-	-	-	-	-

All employees of the Company undergo performance and career development reviews as per Company's policy.

10. **Health and safety management system:**

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

There are no occupational health and safety risks considering the nature of the business of the Company. The Company has in place well-structured medical policy which takes care of health and wellbeing of all the existing and retired employees by reimbursing in-patient and out-patient medical costs and provision of leaves on medical grounds. HUDCO has taken various steps to provide safe and healthy environment for its employees for which interaction of employees with health experts in various fields are being conducted regularly.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Not applicable.

- c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Y/N)**

Not applicable.

- d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Y/N)**

In order to provide health care facilities to employees of the Company, company has engaged part time medical practitioner(s) to provide outside medical consultation. The, Company organises health check-up camp for its employees. Apart from this, all employees and their dependent members are covered under HUDCO medical policy.

11. Details of safety related incidents in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Not Applicable	
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence works related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy work place

The Company has taken various measures to ensure safe and healthy work environment to its employees like installation and periodic check of fire extinguishers, fire alarm system, smoke detector system, display of floorplans at crucial points, CCTV cameras, etc.

13. Number of Complaints on the following made by employees and workers

Type	Financial Year 2022-23			Financial Year 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year

Type	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practices	No assessment has been done by statutory authorities or third parties.
Working Conditions	No assessment has been done by statutory authorities or third parties

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable.

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death of:

Employees – The Company has obtained ‘HUDCO Employees Deposit Linked Insurance Policy’ to provide life assurance benefits to the employees in lieu of the benefits envisaged under the Employees Deposit Linked Insurance Scheme, 1976. Apart from the above, there is a Social Security Scheme and Benevolent Fund Scheme for providing financial assistance to the nominees of the deceased employees.

Workers – Not applicable.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has statutory and internal audit systems and procedures to ensure that statutory dues have been deducted and deposited by the value chain partners (Vendors) in time who are responsible to comply with applicable laws and regulations as per contract with the Company.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Particulars	Total no. of affected employees/ workers		No. of employees/ workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Not applicable	Not applicable	Not applicable	Not applicable
Workers	Not applicable	Not applicable	Not applicable	Not applicable

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The Company being a CPSE, follow guidelines issued by DPE/other Statutory Authorities w.r.t. retirement or termination of employees. The Company provides post-retirement medical facilities to its retired employees.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	None
Working Conditions	None

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

The stakeholders of the Company are identified based on their impact both financial and operational on the business of the Company. The Company has identified its stakeholders both internal as well as external. Internal Stakeholders are employees of the Company whereas external stakeholders include security holders, Banks/financial institutions, State Government/ Agencies and Regulators, Value Chain Partners, i.e., vendors, suppliers, customers, etc.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (yes/ no)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Security Holders	No	Quarterly Results, Investors presentation, Annual Report, Annual General Meeting, Media Releases, Website of Company, and Stock Exchanges, etc.	Ongoing engagement with at least once in a quarter.	To present financial/ operational performance of the Company and to address their concern/ grievances
Government and Regulators	No	E-mails, one to one meeting physically or through telephonically, video conferencing/ conference calls	Ongoing	seeking clarification/ guidance from various Government and Regulatory authorities.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (yes/no)	Channels of communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	E-mails, one to one meeting physically or telephonically.	Ongoing	Assessment of customer needs, their requirements, resolution of their grievances.
Vendors/suppliers	No	E-mail, Advertisement, website, letters, etc.	Ongoing	Procurement of goods/services through tendering/ GeM Portal process, redressal of their grievances.
Employees	No	Intra-net, email, Notice Board, Periodic Newsletter.	Ongoing	To inform the employees of the key developments within the organization, sharing company's progress both on operational and financial front, etc.,

All the stakeholder group as mentioned above are not Vulnerable and Marginalized but there is section of the people in the stakeholder groups which are considered as vulnerable & marginalized like Economically Weaker Sections, Lower Income Groups, MSME enterprises owned by SC/ST and women entrepreneurs. HUDCO works for the upliftment of marginalized section of society by providing them necessary facilities in the areas of Health, Education, skill training, etc.

LEADERSHIP INDICATORS

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The shareholders being stakeholders of the company, during the Annual General Meeting raises various issues/ suggestions regarding performance of the company, from the perspective of economic, environmental, and social scenario prevailing in the economy and interact with the Board members. Further, feedback/inputs from internal and external stakeholders helps in enhancing satisfaction and strengthen their confidence in the Company.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics.**

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

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

HUDCO works on the principles of social justice as enshrines in the Constitution of India, and to achieve its objective of 'Profitability with Social Justice', it has identified various disadvantaged, vulnerable and marginalized stakeholders, like Scheduled Caste, Scheduled Tribes, Other Backward Classes, Economically Weaker Section, Person with Disabilities, Lower Income Groups, MSME enterprises owned by SC/ST and women entrepreneurs and also works for their upliftment.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

- 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity.**

The Company is fully committed to respect the human values and adheres to all applicable laws, rules, regulations framed by the regulatory authorities, Central/ State Governments in this regard. None of the employees have been imparted training on human right issues during the financial year 2022-23 and 2021-22.

- 2. Detail of minimum wages paid to employees and workers.**

All the employees of the company both male and female are being paid remuneration based on the Presidential Directives received from the Administrative Ministry of the Company which are more than the minimum wages as prescribed by the Government Authorities.

3. Details of remuneration/salary/wages, as on 31st March, 2023:

Category	Male		Female	
	No.	Median remuneration/ salary/ wages of respective category	No.	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)				
-Executive Directors	3	90,31,556	0	-
-Non-Executive Directors	4	3,42,500	1	4,85,000
Key Managerial Personnel (KMP) other than BoD	1	61,74,722	0	-
Employees other than BoD and KMP	456	28,51,893	214	27,06,811
Workers	0	-	0	-

- As on 31st March, 2023:
 - a) the Charge of post of Chairman & Managing Director, HUDCO was assigned to the Joint Secretary, MoHUA, who has not been paid any remuneration as per terms and conditions of his appointment, however, the same is included in the category of Executive Directors; and
 - b) The Company has 5 Non-Executive Directors comprising of 4 Independent Directors including 1 women director and 1 Government Director. Independent Directors have been paid remuneration by way of sitting fee only and Government Director(s) has not been paid any remuneration during the year.
- The Employees includes only permanent employees who have worked for the entire period of 12 months during the financial year 2022-23. Remuneration/Salary includes monthly salary paid only and excludes other benefits.
- The Company has not given any stock option to its Directors/ KMP/Employees during the year.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Head of Human resources who is primarily responsible for the human resources function, oversees and address any issue pertaining to human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

The Company has zero tolerance for sexual harassment at workplace, prohibits all kind of child labour, slavery, bonded/forced labour.

HUDCO has constituted the 'Internal Complaint Committee' which is headed by a senior woman officer of the Company for redressal of complaints, if any, related to sexual harassment as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Sexual Harassment in any form is a misconduct under HUDCO (Conduct, Discipline and Appeal) Rules.

HUDCO has robust Public Grievance mechanism and machinery which caters to the grievances in emanating from various sources, i.e., Centralized Public Grievance Redress and Monitoring System (CPGRAMS), Grievance Registration & Information Database System (GRIDS) portal and by email/ post. The entire system has been digitized for timely submission and disposal of grievances.

6. Number of Complaints on the following made by employees and workers:

Category	Financial Year 2022-23			Financial Year 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-

Category	Financial Year 2022-23			Financial Year 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Forced / Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

All stakeholders internal as well as external irrespective of their position, caste, creed, gender, and religion, are given due respect and dignity.

Cases related to prevention of sexual harassment at work place are treated with utmost sensitivity and confidentially in line with the guidelines of the Sexual Harassment of Women at Work Place (Prevention, Prohibition, and Redressal) Act 2013.

HUDCO has in place a Vigilance Mechanism for its employees and/Directors' which provides for adequate safeguards against victimization of the persons who use such mechanism. The whistle Blower Policy is also in place to investigate the complaints for disclosure on allegation of corruption or misuse of office while keeping the identity of the complainant secret.

8. Do human rights requirements form part of your business agreements and contracts?

HUDCO being a finance company, where most of the documents are executed with the lenders/borrowers based on specific agreed terms and conditions and human rights do not made part of these documents. The company ensures that the agreement executed with service providers contains clause meeting human rights requirement like prohibits all kind of child labour, slavery, bonded/forced labour, and payment of minimum wages, etc.

9. Assessments for the year:

Category	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others – please specify	Nil

10. Provide details of any corrective actions taken or underway to address significant/risks/concerns arising from the assessment at question 9 above.

Not applicable.

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Not applicable.

2. Details of the scope and coverage of any Human rights due diligence conducted.

Nil.

3. Is the premise/office of the Company accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

All the premise/office of the Company are accessible to differently abled visitors and employees feature wheelchairs and elevators that can be reached from the parking lot, making it easier for them to access to the required place.

4. Details on assessment of value chain partners:

These parameters are not currently assessed, as these entities are being regulated under various laws/ Acts/ Rules/ Regulations. However, Company expects that its value chain partners uphold the same values, beliefs, and business ethics as the Company.

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at question 4 above.

Not applicable.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT
ESSENTIAL INDICATORS
1. Details of total energy consumption (in Joules or multiples) and energy intensity.

HUDCO being a finance Company does not own any manufacturing unit/ facility, therefore, this principle has very limited applicability. Accordingly, the Company does not track the energy consumed.

HUDCO is an energy conscious organization and is fully committed to support the Government of India programmes towards conservation of energy. It has taken number of measures/initiatives on continuous basis towards optimum utilization of energy in all its offices by replacing CFL with LED lights, maximum use of natural lights in its day-to-day operations and replacement of high-power consuming equipment's with low energy consuming equipment's. Further, HUDCO has also installed 15 & 7 KW solar power plants in two of its institutional properties.

2. Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable.

3. Details of disclosures related to water.

HUDCO being a finance Company does not own any manufacturing unit/ facility, therefore company's use of water is restricted to human consumption only. All efforts are made to use water judiciously. HUDCO has in place Rain Water Harvesting with ground water recharge facility in its Estate. Further, Waterless urinals and Sensor taps are put in office washrooms to reduce water consumption. The Waterless Urinal saves over 1,51,000 litres of fresh water every year. The water so saved is equivalent to support the needs of approx. 14 families who are otherwise left struggling to meet this basic need.

4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not applicable.

5. Details of air emissions (other than GHG emissions) by the Company.

Not applicable.

6. Details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity.

Not applicable.

7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

No. However, the company with an intent to increase awareness towards the environment and to promote and support the 'Green Initiatives' of Government of India, has taken initiatives/ steps in the direction like communicating with the shareholders through electronic mode including Audited financial Statements, notices, circulars, etc., and shareholders are requested to immediately notify/update their email addresses. Further, the company has implemented e-office file management system, to make HUDCO a paperless organization.

8. Provide details related to waste management by the Company, in the following format:

Parameter	Financial Year 2022-23	Financial Year 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Nil	Nil
E-waste (B)	0.20 to 0.25 Metric tons (approx.)	Nil

Parameter	Financial Year 2022-23	Financial Year 2021-22
Bio-medical waste (C)	The company do not produce or dispose of any kind of Bio-medical waste, construction and demolition waste, Battery waste, radioactive waste, or other hazardous waste, hence, these are not applicable.	
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)		
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition, i.e., by materials relevant to the sector)		
Total (A+B + C + D + E + F + G + H)	0.20 to 0.25 Metric tons (approx.)	Nil
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	Dry	Wet
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Disposal of old, unserviceable, and obsolete IT equipment's identified as e-waste is done through certified e-waste handlers.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

HUDCO being a finance company does not produce toxic, hazardous waste, other than negligible amount of e-waste, however, it extends consultancy services for Municipal Solid Waste Management. Disposal of old, unserviceable, and obsolete IT equipment's identified as e-waste is done through certified e-waste handlers.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.**

The operations of the company are carried out through, Head Office and 1 Human Settlement Management Institute Office (HSMI), 21 Regional Offices, 11 Development Offices located all over India. All these offices are not located in/around ecologically sensitive areas.

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not applicable. However, Company ensures that the projects funded by it meets the necessary parameters towards environmental protection, for which necessary stipulations have been incorporated at the appraisal stage.

12. **Is the Company compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.**

Not applicable.

LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	Financial Year 2022-23	Financial Year 2021-22		
From renewable sources				
Total electricity consumption (A)	Please refer point No. 1 of essential indicators.			
Total fuel consumption (B)				
Energy consumption through other sources (C)				
Total energy consumed from renewable sources (A+B+C)				
From non-renewable sources				
Total electricity consumption (D)				
Total fuel consumption (E)				
Energy consumption through other sources (F)				
Total energy consumed from non-renewable sources (D+E+F)				

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No.

2. Details related to water discharged.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Please refer point No. 3 of essential indicators

3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area
- Nature of operations
- Water withdrawal, consumption, and discharge

Not applicable.

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	Financial Year 2022-23	Financial Year 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	-	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Not applicable.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the Company on biodiversity in such areas along-with prevention and remediation activities.

HUDCO does not have any significant direct and indirect impact on ecologically sensitive areas, hence not applicable. Please refer to point no. 10 of essential indicators.

6. If the Company has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Please refer to point no. 1,3,5,7 and 8 of the essential indicators.

7. Does the Company have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company has a business continuity and disaster management plan. It has framed various policies like: IT Governance Policy, IT Policy, Information and Cyber Security Policy, IT Operations Policy, IS Audit Policy, Business Continuity Planning Policy; and IT Services Outsourcing Policy as per guidelines of National Housing Bank. Further, to review the information system/security mechanism, IT security Audit of ICT infrastructure and legacy application are being conducted from time to time.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the Company. What mitigation or adaptation measures have been taken by the Company in this regard?

Not applicable.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not applicable.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT
ESSENTIAL INDICATORS
1. a. Number of affiliations with trade and industry chambers/ associations.

HUDCO has membership of nine trade and industry chambers/ associations during the financial year 2022-23.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	India Habitat Centre (IHC)	National
2	India International Centre (IIC)	National
3	Standing Conference of Public Enterprises (SCOPE)	National
4	National Real Estate Development Council (NAREDCO)	National
5	British Council Library	National
6	Institute of Company Secretaries of India (ICSI)	National
7	Siri Fort Sports Complex	National
8	PHD Chamber of Commerce and Industry (PHDCCI)	National
9	Indian Building Congress (IBC)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Company is not engaged in any anti-competitive conduct.

LEADERSHIP INDICATORS
1. Details of public policy positions advocated by the Company.

HUDCO, as a premier techno-financial institution and an integral part of the Government of India Mission programs, is assisting the Ministry of Housing and Urban Affairs in implementation of its flagship programs- Pradhan Mantri Awas Yojana (Urban)-Housing for All [PMAY-HFA (Urban)] through scrutiny, monitoring, site inspection of sample projects, building programmes for State agency's officials, hand holding support to state agencies for preparation of DPR, disbursement of subsidy as Central Nodal Agency under CLSS vertical of PMAY(U) programme, viability gap funding for projects to meet State/ Urban Local Bodies share in various Government of India Action Plan schemes, e.g., Jal Jeevan Mission, AMRUT, etc.

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT
ESSENTIAL INDICATORS
1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not applicable, however, project funded by the Company are monitored by the concerned Regional Office during the implementation of the project by way of site inspection, obtaining utilization certificate and progress report periodically, etc., based on details provided by agencies.

2. Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your Company.

Not applicable.

3. Describe the mechanisms to receive and redress grievances of the community.

To address the Complaints/ grievances received from customers/consumers/public on Centralized Public Grievance Redressal Monitoring System (CPGRAMS) portal, NHB portal and via emails/letters, Company has in place well established mechanism and established designated department for dealing and resolution of such grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

Particulars	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/small producers	66.99%	57.49%
Sourced directly from within the district and neighbouring districts	-	-

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not applicable.

2. CSR projects undertaken by your Company in designated aspirational districts as identified by government:

During the year, CSR assistance of ₹ 2667.94 lakh for 19 proposals has been approved under the CSR activities to different agencies in various states related to the proposals of Drinking Water, Education, Health Care, Sanitation, Skill Development and Sports, benefitting the population of these areas. Further, for the following projects, CSR assistance has been approved in aspirational districts as per details given, however, expenditure in these is yet to be incurred, as the agencies are in process of completing formalities.

Sl.No.	CSR Project	Amount (in ₹)
1.	Procurement of Medical Equipment for 9 Community Health Centers (Madugula, Bhimli, Chodavaram, Gopalapuram, Kotapadu, Kotauratla, Munchingput, Nakkapalli and Pendurthy) in erstwhile Vishakhapatnam under (Aspirational District), Andhra Pradesh	88,50,000
2.	Construction of Youth Development Centre at Giridih, Jharkhand. (Aspirational District)	89,07,400
	Total	177,57,400

Further, in respect of ongoing projects of earlier years, the details are as given below:

Sl. No.	State	Aspirational District	Amount spent (in ₹)
1.	Nagaland	Procurement of Hospital of equipment, Kiphire by District Planning & Development Board, Kiphire, Nagaland (Aspirational District)	27,25,650
2.	Kerala	Strengthening and Restructuring of Primary Health Centres (PHCs)/sub centres (10 Nos) in Wayanad District and supplying ASHA Kit to HAMLET ASHA workers (373 Nos.) in the State of Kerala (Aspirational District)	25,58,000
3.	Kerala	Construction of Skill Lab at District Hospital, Mananthavady, Wayanad, (Aspirational District)	15,75,000
4.	Jharkhand	Installation of Hand pumps (106 locations) under Rural Water Supply Scheme at Giridih District (Aspirational District)	8,40,646
		Total	76,99,296

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

HUDCO promotes procurement of material/ goods/ services from Micro, Small and Medium Enterprises (MSMEs), GeM portal as per Government of India, policy/ guidelines issued from time to time.

(b) From which marginalized /vulnerable groups do you procure?

MSME, SC/ST and Women Entrepreneurs.

(c) What percentage of total procurement (by value) does it constitute?

During the financial year 2022-23, HUDCO, procured material/ goods/ services from MSMEs constituting 66.99% of its total procurement. The procurement from GeM portal was 57.49% in respect of MoU parameter.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Not applicable.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable.

6. Details of beneficiaries of CSR Projects

Sl. No.	CSR Project	No. of Persons benefitted from CSR Project (approximate)	% of beneficiaries from vulnerable and marginalised groups
1.	Procurement of Hospital equipment, Kiphire by District Planning 7 Development Board, Kiphire, Nagaland (Aspirational District)	74,004 (approx.)	The upgradation /creation of facilities will provide access to better facilities primarily to the marginalized and vulnerable groups along with the other beneficiaries, hence, percentage of beneficiaries from vulnerable/ marginalised groups, cannot be quantified.
2.	Strengthening and Restructuring of Primary Health Centres (PHCs)/sub centres (10 Nos) in Wayanad District and supplying ASHA Kit to HAMLET ASHA workers (373 Nos) in the State of Kerala (Aspirational District)	8.17 Lakhs (approx.)	
3.	Construction of Skill Lab at District Hospital, Mananthavady, Wayanad, (Aspirational District)	Skill Upgradation training to Hospital Staff, i.e., Doctors, Staff Nurses, and Paramedical Staff of Dist. Hospital.	
4.	Installation of Hand pumps (106 locations) under Rural Water Supply Scheme at Giridih District (Aspirational District)	20,000 (approx.)	

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a well-established mechanism, wherein feedback from existing and potential customers is being taken by the regional offices located on pan India basis through meetings/interactions with borrowing agencies & other clients. HUDCO is fully committed to strengthen relationship with its stakeholders for safeguarding their interest and maximizing their wealth.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

The objective of the Company is providing loans for Housing and Infrastructure related projects on Pan India basis, based on loan agreement executed with the agency containing necessary terms and conditions to safeguard the interest of the company. As the Company is in the financing of loans, does not have any manufacturing units, hence no products are produced.

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable to the products and services, company is dealing.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following

Particulars	Financial Year 2022-23		Remarks	Financial Year 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other-customers/ Consumers*	45	1	Resolved in the month of June, 2023	47	1	Resolved in the month of April, 2022

* The complaints under the head 'Other-customers/consumers includes 42 and 36 complaints pertaining to bonds, shares/ dividend for the financial year 2021-22 and 2022-23 respectively.

4. Details of instances of product recalls on account of safety issues.

Not Applicable.

5. Does the Company have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has framed policies with respect to information technology/cyber security which set forth limits, mitigation strategies and internal controls as required by applicable laws and regulations. IT assets are reviewed and audited regularly by independent agencies expert in the field of Information Technology. Company undertakes proactive approach to ensure that the IT systems are adequately protected against information technology/cyber security risk to which the company is exposed.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable.

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the Company can be accessed (provide web link, if available).

Information on products and services of the Company can be accessed on company's website at www.hudco.org.in

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The following steps are taken to inform and educate consumers about safe and responsible usage of products and services by way of regular updating of Company's website, email, telephonically, personal meetings/interactions by Head/Regional/ Development office officials with the borrowing agencies and other clients.

Further, HUDCO has pan India presence through its 21 Regional Office and 11 Development Offices apart from its Corporate Office and HSML training institute at New Delhi. Contact details of all the offices are available on the website of the Company,

from where consumers can approach and get the necessary information about the products and services.

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

Consumers are informed of any risk of disruption/ discontinuation of services through Website of the company, email and telephonically by Head/Regional/Development offices.

4. Does the Company display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Not applicable, as the Company is not involved in any manufacturing/ industrial activity, however, HUDCO being a finance company, displays various products offered to the potential customers with proposed interest rates and other terms and conditions.

Did your Company carry out any survey with regard to consumer satisfaction relating to the major products / services of the Company, significant locations of operation of the Company or the Company as a whole? (Yes/No).

The Company does not carry out any consumer survey, since it is not involved in any manufacturing activity. Customers in the context of HUDCO are the borrowing agencies, as it is involved in the business of financing housing and infrastructure projects.

The Company has a well-established mechanism, wherein feedback from existing and potential customers is being taken by the regional offices located on pan India basis through meetings/interactions with borrowing agencies & other clients. HUDCO is fully committed to strengthen relationship with its stakeholders for safeguarding their interest and maximizing their wealth.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

The Company did not witness any instances of data breaches during the year.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable.

For and on behalf of the Board of Director

Place : New Delhi
Date : 22nd August, 2023

Sd/-
Kuldip Narayan
Chairman & Managing Director
(DIN: 03276525)

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2023
 [Pursuant to Section 204(1) of the Companies Act, 2013 and
 Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
 The Members,

HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Housing and Urban Development Corporation Limited (hereinafter called "the Company") for the Financial Year ended 31st March, 2023 (hereinafter called "period under review"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations; 2018; Not Applicable for period under review
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (erstwhile The Securities and exchange board of India (Share based Employee Benefits) Regulations, 2014 (repealed w.e.f. August 13, 2021); Not Applicable for period under review
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (erstwhile The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (repealed w.e.f. August 9, 2021);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (erstwhile The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (repealed w.e.f. June 10, 2021); Not Applicable for period under review
 - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; Not Applicable for period under review
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) - National Housing Bank Act, 1987 and Rules, Regulations, Guidelines and Directions issued thereunder, (verified based on periodic certificate of compliance submitted to the Board of Directors of the Company);
- (vii) We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances for followings applicable Acts, Laws, and regulations to the Company: -
 - a. Payment of Gratuity Act, 1972;
 - b. Maternity Benefit Act, 1961;
 - c. Employees Provident funds, 1952;

- d. Payment and Wages Act, 1936;
- e. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- f. Employment Exchange (Compulsory Notification of vacancies) Act, 1959; and

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

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

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

1. **The composition of the Board of Directors was not in compliance with Regulation 17 (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 3.1.4 of the DPE Guidelines on Corporate Governance during the period from 01.04.2022 to 12.10.2022 as the Company did not have requisite number of independent directors on its Board.**

As Explained by the Company that HUDCO being a Government Company, Its Directors are appointed by President of India through administrative ministry, i.e., Ministry of Housing & Urban Affairs, Government of India. Matter have already been taken up with the Administrative Ministry for appointment of Independent Director on the Board of the Company.

However, consequent upon cessation of one Government Director w.e.f. 12th October, 2022 the composition of the Board was duly complied till 31st March, 2023 according to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines issued by Department of Public Enterprises, Ministry of Finance, Government of India for Central Public Sector Enterprises (CPSE).

2. **During the period under review, the Continuous gap between two consecutive meeting of Risk Management Committee exceeded 180 days according to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

As Explained by the Company that during the period under review two meetings of Risk Management Committee were held i.e., on 13.12.2022 & 13.02.2023 within prescribed time period.

We further report that

- i. During the period under review the, the Board of Directors of the Company was not duly constituted with proper balance of Independent Directors according to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines issued by Department of Public Enterprises, Ministry of Finance, Government of India for Central Public Sector Enterprises (CPSE) and the Companies Act, 2013, till 12th October, 2022. However, the composition of Board of Director was in compliance from 13th October, 2022.
- ii. During the period under review adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meeting other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and
- iii. All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/ Members present during the meeting.

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

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

1. Passed the following Special Resolution which have a major bearing on the Company affairs which is passed at Annual General Meeting of the Company held on 26th September, 2022;
 "To approve raising of the funds by Issuance of unsecured/secured non-convertible bonds/debentures from time to time up to maximum of ₹ 22,000/- crore in accordance with enabling notification(s), provision(s) of section 42, section 180(1)(c) of the companies Act, 2013 read together with the Companies (Prospectus and Allotment of Securities) Rule, 2014 during the period of one year from the date of passing of this Special Resolution".
2. Raised funds by issuing the Unsecured, Redeemable, Non-Cumulative, Taxable, Non-Convertible Debentures on a Private Placement basis amounting to ₹ 3,970 crore (₹ 1,500 crore vide allotment dated 11th November, 2022, ₹ 470 crore vide allotment dated 19th December, 2022, and ₹ 2,000 crore vide allotment dated 16th February, 2023).

3. Prepared Consolidated Financial Statements (CFS) pursuant to Section 129 (3) of the Companies Act 2013 with Associate Company, i.e., Shristi Urban Infrastructure Development Limited.
4. During the period under review, Stock Exchange(s) namely BSE Limited and National Stock Exchange of India Limited, have levied fines of ₹ 5,36,900/-, ₹ 5,42,800/-, and ₹ 1,29,800/- each for the quarter(s) ending June, September, and December 2022 respectively, regarding non-compliance with the requirements of regulations of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 in respect of non-appointment of requisite number of Independent Director on the Board of the Company. The Company has requested the Stock Exchanges to waive off the fine on the ground that power to appoint Directors on the Board of HUDCO vests with the President of India and the company is regularly pursuing with the Administrative Ministry, i.e., Ministry of Housing and Urban Affairs, Government of India for the same. However, the request is still pending for waiver with the stock exchanges.

FOR MALHOTRA ARORA & ASSOCIATES
Company Secretaries

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

Place : Gurugram, Haryana
Date : 31.07.2023

Peer Review Cert: 3806/2023
UDIN: F011008E000711114

Annexure A

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

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

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

FOR MALHOTRA ARORA & ASSOCIATES
Company Secretaries

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

Place : Gurugram, Haryana
Date : 31.07.2023

Peer Review Cert: 3806/2023
UDIN: F011008E000711114

Annual Report on Corporate Social Responsibility (CSR) Activities for the financial year 2022-23

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

Annual report on CSR activities for the financial year commencing on or after the 01st Day of April, 2020 – for Financial Year 2022-23.

1.	Brief outline on CSR Policy of the Company.	<p>The main objective of HUDCO's CSR Policy shall be the Corporation's continuous commitment to operate in economically, socially and environmentally sustainable manner in consultation with its stake holders so as to ensure upliftment of the marginalized and under-privileged sections of the society to promote inclusive socio-economic growth, empowerment of communities, capacity building, environment protection, promotion of green & energy efficient technologies, development of backward regions by specially focusing on the projects relating to habitat sector & benefit of poor.</p> <p>In line with these objectives and the annual theme of 'Health and Nutrition' for the year, HUDCO has extended CSR assistance for different projects relating to the Sanitation through provision of toilets/ community toilets and solid waste management, provision of drinking water, health, construction of community centers, development of Aspirational District and for promoting education including special education to differently abled. HUDCO being a financial institution have no specific geographical area and as such, CSR activities are spread across all over the country.</p> <p>In addition to this, disbursement of CSR assistance was also extended for the proposals sanctioned in the earlier years in line with the Companies CSR Policy Amendment Rules, 2021 and guidelines issued by Department of Public Enterprises for CPSEs on CSR for their implementation. The CSR Policy and other information on CSR is available on HUDCO Website at: http://www.hudco.org</p>
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2. Composition of CSR Committee (as on 31.03.2023):

S. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Shri M Nagaraj (From 03.02.2020)	Chairman / Director (Corporate Planning)	5	5
ii.	Dr. Ravindra Kumar Ray (From 28.12.2021)	Member/ Non-Official (Independent) Director	5	5
iii.	Dr. Siyaram Singh (From 28.12.2021)	Member/ Non-Official (Independent) Director	5	5
iv.	Smt. Sabitha Bojan (From 28.12.2021)	Member/ Non-Official (Independent) Director	5	5
v.	Shri Banshi Lal Gujar (From 04.03.2022)	Member/ Non-Official (Independent) Director	5	4
vi.	Shri Kuldip Narayan (From 28.12.2021)	Member/ Chairman & Managing Director	5	4

3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.	www.hudco.org.in
4.	Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 if applicable.	Nil
5.	a. Average net profit of the company as per sub-section (5) of section 135.	₹ 2249.06 crore
	b. Two percent of average net profit of the Company as per Section 135 (5).	₹ 44.98 crore
	c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil

	d.	Amount required to be set off for the financial year, if any.	Nil
	e.	Total CSR obligation for the financial year [(b)+(c)-(d)].	₹ 44.98 crore
6.	a.	Amount spent on CSR projects (both ongoing project and other than ongoing project).	₹ 3.207crore(*)
	b.	Amount spent in Administrative Overheads.	Nil
	c.	Amount spent on Impact Assessment, if applicable.	Nil
	d.	Total amount spent for the Financial Year [(a)+(b)+(c)].	₹ 3.207crore (*)

(*) During the F.Y. 2022-23, the company has spent a total amount of ₹ 3,20,72,843/- for the ongoing projects sanctioned prior to 31st March, 2021 (i.e. 2010-11 to 2020-21).

e. CSR amount spent or/and unspent for the financial year 2022-23.

Total Amount spent for the financial year (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule-VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
Nil(#)	26,67,94,463/-(#)	29.04.2023	-	18,30,18,204/-(\$)	

(#) During the F.Y. 2022-23, CSR assistance for 19 proposals amounting to ₹ 26.68 crore has been sanctioned. However, no expenditure from these has been made as the agencies are in process of completion of documentation and finalization of tenders, etc. and accordingly, the amount has been transferred to the Unspent CSR account and shall be spend as per provision of the Companies Act, 2013. Details of the proposals sanctioned during the year are enclosed as Annexure I.

(\$) As on 31.03.2023, an amount of ₹ 18,30,18,204/- is the unspent CSR amount other than ongoing CSR activities from the CSR budget for the FY 2022-23, which shall be transferred to one of fund specified in Schedule VII of the Companies Act, 2013 within the stipulated time period, i.e., on or before 30th September,2023.

(**) Further, an amount of ₹ 25,87,90,596/- being the unspent CSR amount other than ongoing CSR activities as on 31.03.2022 (₹ 16.99 crore is the unspent CSR budget of FY 2021-22 and ₹ 8,88,90,596/- up to 2020-21) was transferred to Swachh Bharat Kosh, a fund specified in Schedule VII of the Companies Act, 2013 on 30.09.2022 in accordance with details mentioned in the annual report on CSR activities for FY 2021-22.

f. Excess amount for set off, if any:

S.No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section-135(5)	44,98,12,667/-
(ii)	Total amount spent for the financial year	Nil
(iii)	Excess amount spent for the financial year {(ii) – (i)}	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years {(iii) - (iv)}	Nil

7. Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Balance amount in Unspent CSR account under sec. 135 (6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund specified under Schedule VII as per second proviso to section 135 (5) if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	2021-22	Nil	-	-	169900000/-(@)	30.09.2022	-	-
2	2020-21(##)	28027000	24577000	6875000	-	-	17702000	-
3	2019-20(##)	102404180	67646060	14139304	45707374	30.09.2022 / 18.10.2022	7799382	-

(@) As of 31.03.2022, an amount of ₹ 16.99 crore was the unspent CSR budget of FY 2021-22, which was transferred to 'Swachh Bharat Kosh' a fund specified in Schedule VII of the Companies Act, 2013 on 30th September, 2022 in accordance with details mentioned in the annual report on CSR activities for FY 2021-22.

(##) In compliance of the Ministry of Corporate Affairs, Govt. of India Notification dated 22nd January, 2021, HUDCO has opened an Unspent CSR account in April 2021. As on 31st March, 2023, the total amount available under Unspent CSR Account opened in April' 2021 is ₹ 13,75,61,434/- (including refund of ₹ 2618866/-) (Previous year 31.03.2022, ₹ 27,02,24,158/-). During the year, from the account, ₹1,36,52,349/- has been released for implementation of the proposals sanctioned prior to 31st March, 2021 and ₹ 2,53,51,342/- and ₹ 73,86,085/- has been contributed to 'Swachh Bharat Kosh' and 'PMCARES Fund' the funds specified in Schedule VII of the Companies Act, 2013, respectively due to closure and curtailment of CSR proposals sanctioned prior to 31st March, 2021. Besides this, ₹ 8,88,90,596/- amounting to the other than earmarked for ongoing project of earlier years due to closure and curtailment has been transferred to 'Swachh Bharat Kosh' a fund specified in Schedule VII of the Companies Act, 2013 on 30th September, 2022 as already mentioned in the annual report of CSR activities for financial year 2021-22.

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: NO

If Yes, enter the number of Capital assets created/ acquired ; NA

Furnish the details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year: NA

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
- NA -							

(all the fields should be captured as appearing in the revenue record, flat no, house no, Municipal office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9.	Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5).	During the year 2022-23, the company has approved CSR assistance of ₹ 26.68 crore for 19 proposals in various states, however, no expenditure could be incurred in these proposals as most of the proposals were approved in the last quarter of financial year and concerned agencies are in process of completion of documentation formalities and preparatory works for execution of works e.g finalization of tender etc. Accordingly, the amount pertaining to these ongoing proposals is transferred to 'Unspent CSR account' opened in April 2023 and shall be incurred as per Companies CSR Rules 2021.
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Place : New Delhi
Dated : 22nd August, 2023

Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN: 03276525

Sd/-
M Nagaraj
Chairman CSR Committee
DIN: 05184848

CSR Activities Approved during the Financial Year 2022-23
Annexure-1

S. No.	Name of the project	Item from the list of activities in Schedule-VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹ in)	Amount spent in the current financial year (₹ in)	Mode of Implementation – Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District					Agency Name	CSR Registration number
1	Construction of Check Dams, Pipelines, Ground Level Reservoir and Over Head Tank in various locations at Bikkatty Town Panchayat in Nilgiris District.	Drinking water	No	Tamil Nadu	Nilgiri	6 Months	8994000	0	No	Bikkatty Town Panchayat, Nilgiri	CSR00047650
2	Augmentation of public health by supplying safe drinking water in six villages of Machilipatnam Parliament Constituency i.e Kamalapuram, Polavaram, Akulamannadu, Endapalli, Matlam and Lakshmpuram of Machilipatnam, Krishna, Andhra Pradesh.	Drinking water	No	Andhra Pradesh	Machilipatnam & Krishna	4 Months	9526000	0	No	Connect to Andhra, Vijayawada	CSR00008366
3	Upgradation of Blind School at Morena, MP.	Education	No	Madhya Pradesh	Morena	9 Months	8733470	0	No	Indian Red Cross Society, Morena	CSR00029480
4	Construction of Health Sub-Centre at Arapati Mayai Leikai, Imphal East, Manipur.	Health Care	No	Manipur	Arapati Mayai Leikai, Imphal	18 Months	9811000	0	No	Planning & Development Authority (PDA), Manipur	CSR00040218
5	Procurement of Medical Equipment and infrastructural development at IPGMR, Kolkata, West Bengal.	Health Care	No	West Bengal	Kolkata	6 Months	9393000	0	No	West Bengal State Health & Family Welfare Samity, Kolkata.	CSR00033392
6	Procurement of Medical Equipment for 9 Community Health Centers (Madugula, Bhimli, Chodavaram, Gopalapuram, Kotapadu, Kotauratla, Munchingput, Nakkapalli and Pendurthy) in erstwhile Vishakhapatnam under (Aspirational District), Andhra Pradesh.	Health Care	No	Andhra Pradesh	Vishakhapatnam	6 Months	8850000	0	No	Connect to Andhra, Vijayawada	CSR00008366
7	"Construction of Anganwadi cum Pakalveedu" at Ernakulam (Division 62) Ernakulam District, Kerala.	Health/ Education	No	Kerala	Ernakulam	12 Months	9496000	0	No	Kochi Municipal Corporation, Kochi	CSR00045293
8	Installation of Open GYM equipments and Development of Children Park, in Jagannathan Park and Construction of Toilet unit (4 seated) for 8 Govt. Girls Schools in Barh Nagar Parishad Area, Barh District - Patna, Bihar.	Health/ Sanitation	No	Bihar	Barh	6 Months	9604252	0	No	Barh Nagar Parishad, Barh	CSR00037214

S. No.	Name of the project	Item from the list of activities in Schedule-VII to the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹ in)	Amount spent in the current financial year (₹ in)	Mode of Implementation – Direct (Yes / No)	Mode of Implementation – Through Implementing Agency	
				State	District					Agency Name	CSR Registration number
9	Construction of Public Amenity Building and Pilgrim Accommodation Block at Shri Kedarnath Dham, Rudraprayag, Uttarakhand.	Heritage/ Sanitation	No	Uttarakhand	Rudraprayag	18 Months	109390000	0	No	Kedarnath Utthan Charitable Trust, Dehradun	CSR00009855
10	Procurements of Pick-up trucks (05 nos) for SWM Awareness creation and door to door waste collection at 5 wards of Dehradun, Uttarakhand.	Sanitation	No	Uttarakhand	Dehradun	6 Months	3195000	0	No	Nagar Nigam Dehradun	CSR00034730
11	Procurement of Jetting cum suction machine for Swachh Bharat Mission, Mandsaur, MP.	Sanitation	No	Madhya Pradesh	Mandsaur	3 Months	10000000	0	No	Municipal Council Mandsaur	CSR00045366
12	Construction of Toilets at 3 locations in Greater Chennai Corporation area Chennai, Tamil Nadu.	Sanitation	No	Tamil Nadu	Chennai	6 Months	9962000	0	No	Greater Chennai Corporation, Chennai	CSR00027306
13	Construction of Public Toilet cum Waiting Hall at Mussoorie.	Sanitation	No	Uttarakhand	Dehradun	12 Months	5174000	0	No	Nagar Palika Parishad Mussoorie	CSR00039906
14	"Providing and installation of bio-digester toilets in 20 identified Govt. schools in Khamnore Block in Rajsamand District".	Sanitation	No	Rajasthan	Rajsamand	12 Months	7080000	0	No	Zila Parishad Rajsamand	CSR00048475
15	Construction of Youth Development Centre at jaurakhurd, Morena, MP.	Skill Development	No	Madhya Pradesh	Morena	9 Months	9795341	0	No	Municipal Corporation Morena	CSR00029589
16	Construction of Community Centre at the Alamnagar Raja Nagar, Khasra No. 1083 of Lucknow city, UP.	Skill Development	No	Uttar Pradesh	Lucknow	12 Months	9726000	0	No	Lucknow Municipal Corporation, Lucknow	CSR00011885
17	Construction of Youth Development Centre at Giridih, Jharkhand. (Aspirational District)	Skill Development	No	Jharkhand	Giridih	12 Months	8907400	0	No	Zila Parishad, Giridih	CSR00042656
18	Construction of Multi-purpose Community Hall at Osatti, Aasanur Village Panchayat, Thalavady Union, Erode District.	Skill Development	No	Tamil Nadu	Erode	6 Months	9429000	0	No	District Rural Development Agency (DRDA), Erode	CSR00043022
19	Construction of State of The Art Archery Centre in Sewa Samarpan Sansthan, Bidua, Mohanlalganj, Lok Sabha Constituency, Lucknow, Uttar Pradesh.	Sports	No	Uttar Pradesh	Mohanlalganj, Lucknow	12 Months	9728000	0	No	Nagar Panchayat Mohanlalganj, Lucknow	CSR00050569
Total							266794463	0			

Declaration of the Code of Conduct and Ethics

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

For and on behalf of the Board of Director

Place : New Delhi
Dated : 22nd August, 2023

Sd/-
Kuldip Narayan
Chairman & Managing Director
(DIN: 03276525)

Annexure-7

Management's replies on the comments of the Statutory Auditors on the Standalone Financial Statements and Annexure to the Auditor's Report for the year 2022-23

A. Auditor's Report

Point No.	Management Reply
Emphasis of Matters	
Point no. 4	Position has been explained in Para 3 of Note: 40- Explanatory Notes to Accounts.
Report on other Legal and Regulatory Requirements	
Point no.15 & 16	Statement of Facts, so no comments are required.
Required by section 143(3) of the Act	
Point no. 17 (a)-(g)	Statement of Facts, so no comments are required.
Point no. 17 (h) (i)-(iii) & (v)	Position has been explained vide Para 2(a), Para 40(d), Para 17 and Para 29 of Note 40- Explanatory Notes to Accounts.
Point no. 17 (h) (iv) & (vi)	Statement of Facts, so no comments are required.
NHB/RBI Directions	
Point No.18	Position has been explained in Para 15 of Notes to Accounts 40

B Annexure of Auditor's Report

i) Annexure A

Point No.	Management Reply
Point No.	Management Reply
(i) (a, d & e)	Statement of Facts, so no comments are required.
(i) (b & c)	Noted for Suitable Action.
(ii) to (vi), (vii)-a (viii) to (xxi)	Statement of Facts, so no comments are required.
(vii) (b)	The matters have been taken up with appropriate authority for decision/ rectification/ deletion/ adjustment of demand raised by them.

ii) Annexure B

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

For and on behalf of the Board of Director

Place : New Delhi
Dated : 24th July, 2023

Sd/-
Kuldip Narayan
Chairman & Managing Director
(DIN: 03276525)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023.

The preparation of financial statements of **Housing and Urban Development Corporation Limited** for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Housing and Urban Development Corporation Limited** for the year ended 31 March 2023 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

A. Comments on Auditor's Report

1. Annexure A – To the Independent Auditor Report (Para i.e.)

Companies (Auditor's Report) Order, 2020, vide para 3.i.e requires that whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, then details of the same are to be provided as per specified format. In this regard, it was observed that there are several properties including Land, Flats and Buildings at various locations for which title deeds are pending for execution in the name of company, however, no disclosure in this regard has been given in the auditor's report in the format prescribed. Non-disclosure of the above has rendered the auditor's report deficient to that extent.

2. Annexure A – To the Independent Auditor Report (Para xi.a)

The Statutory Auditor in its report has stated that "no fraud by the Company or no material fraud on the Company by the officers and employee of the Company has been reported during the year". The said reporting is deficient and not in consonance with para xi.a of CARO 2020 which requires whether any fraud by the company or any fraud on the company has been noticed or reported during the year. As the statutory auditor has reported only on material frauds with respect to officers and employees of the Company, the Independent Auditor Report has been rendered deficient to that extent.

3. Annexure B – Directions issued by Comptroller and Auditor General of India

The Statutory Auditor has reported during the year 2022-23, no cases of restructuring of an existing loan or case of waiver/write off of debts/ loans/interest etc. made by a lender to the company due the company's inability to repay the loan has been observed'. The said reporting is incomplete since as per the directions, if lender is a government company, the directions are applicable for statutory auditor of lender company. As HUDCO is a lender as well as borrower, the details of waiver/write off of debts / loans/interest etc. made by HUDCO as lender should have been reported during the financial year 2022-23.

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

Place : New Delhi
Dated : 04 August, 2023

Sd/-
(Atoorva Sinha)
Principal Director of Audit (Infrastructure)
New Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of consolidated financial statements of Housing and Urban Development Corporation Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Audit General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 May 2023.

I, on behalf of the Comptroller & Auditor General of India, have conducted a supplementary audit of the financial statements of Housing and Urban Development Corporation Limited for the year ended 31 March 2023 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of Housing and Urban Development Corporation Limited for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to Shristi Urban Infrastructure Development Limited (an associate company of Housing and Urban Development Corporation Limited), being private entity for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditor nor conducted the supplementary audit of this company. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) read with 129(4) of the Act.

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

**Sd/-
(Atoorva Sinha)
Principal Director of Audit (Infrastructure)
New Delhi**

**Place : New Delhi
Dated : 04 August, 2023**



Water Treatment Plant at Kondotty Municipality, Kerala

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Housing and Urban Development Corporation Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023 and the Statement of Profit and Loss (including other Comprehensive Income), the statement of changes in equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter:

4. We draw attention to the following matter in the Notes to the Standalone financial statements:

The company has recognized interest income on "No Lien AGP Account" amounting to Rs.28.51crore [Rs.28.02crore for the previous year ended 31st March, 2022] for the year ended 31st March 2023. The same has been shown in Note 28 (Other Income) under head 'Interest on Construction Project'.

The balance outstanding as at the end of the year is Rs.558.97crore (debit) (Rs.526.27crore for the previous year ended 31st March 2022) in "No Lien AGP Account". The company is in discussion with MoHUA for recovery/reimbursement of outstanding amount including interest as well as expenses being booked. [Refer Para 3 of Note 40]

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	Ind AS 109 on Financial Instruments establishes a comprehensive framework for determining expected credit losses, accuracy of classification, recognition, de-recognition and measurement requirements for all the financial assets and liabilities. Considering the materiality of the amounts involved, possible effect from the pandemic Covid-19, the significant management judgment required in estimating the expected credit losses as well as measuring Financial Assets and Financial Liabilities and such estimates and	<p><u>Principal Audit Procedures</u></p> <p>Our procedures included, but were not limited to the following:</p> <p>Our Audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p>

	<p>judgments being inherently subjective, this matter has been identified as a key audit matter for the current year audit.</p> <p>(Refer Notes : 6, 7, 8, 9, 10, 11, 15, 16, 17, 18, 19, 33, 36, 37 and 40 to standalone financial statements)</p>	<p>Obtained an understanding of the systems, processes and controls implemented by management for recording and calculating Expected credit losses (ECL), recognition, de-recognition and measurement of Financial Assets and Financial Liabilities, for classifying financial assets portfolio into stages based on credit risk.</p> <ul style="list-style-type: none"> • Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the expected credit losses and measuring Financial Assets and Financial Liabilities. • Selected the sample and tested the operating effectiveness of the internal control, relating to recognition, measurement and de-recognition of, financial assets and financial liabilities and calculation of ECL. We carried out a combination of procedures involving enquiry and observation, performance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording financial assets/liabilities and calculation of ECL in accordance with the said Ind AS. • Tested the appropriate staging of assets basis, their days past due and other loss indicators on sample basis.
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Other Information

6. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report for the year ending 31st March 2023 is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive income, Changes in Equity, and Cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind ASs) specified under Section 133 of the Act with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33, Regulation 52 and Regulation 54 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

10. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
11. As Part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the standalone financial statements representing the underlying transactions and events in a manner that achieves fair presentation.
 - Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company and of its associate to express an opinion on the consolidated financial statements. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub section (11) of Section 143 of the Act, we give in the **Annexure-"A"**, a statement on the matters specified in Paragraph 3 and 4 of the said Order, to the extent applicable.
16. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **Annexure "B"**, on the directions issued by the Comptroller and Auditor General of India.
17. **As required by section 143(3) of the Act, we report that:**
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Statement of Profit and loss [including Other Comprehensive income], Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard ("Ind-As") specified under Section 133 of the Act;
 - e) The provisions of section 164(2) of the Companies Act, 2013 in respect of disqualifications of directors are not applicable to the Company being Government Company in terms of notification no. G.S.R. 463(E) dated 5th June 2015 issued by the Ministry of Corporate affairs.
 - f) With respect of the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure 'C'**; and
 - g) As per notification number G.S.R 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to Director is not applicable to the Company, since it is a Government Company; and
 - h) With respect to the other matters to be included in the Auditor's Report in with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on financial position on its Standalone financial statements; **(Refer Para 2(a) of Note no. 40 to standalone financial statements)**
 - ii. The Company does not have any material foreseeable losses on long terms contracts including derivative contracts; **(Refer Para 40(d) of Note no. 40 to standalone financial statements)**
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; **(Refer Para 17 of Note no. 40 to standalone financial statements)**
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, as disclosed in management representations, no funds have been advanced or loaned invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities (the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, as disclosed in management representations, no funds have been received by the Company from any persons or entities, including foreign entities (the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under Sub-clauses (a) and (b) above contain any material misstatement.
 - v. As stated in Note no. 40 (29) to the Standalone Financial Statements:
 - a) The final dividend proposed for the previous year, declared and paid by the company during the year is in compliance with section 123 of the companies Act,2013, as applicable.

- b) The interim dividend declared and paid by the company during the year and until the date of this report is in compliance with section 123 of the companies Act, 2013.
- c) The Board of director of the company have proposed final dividend for the year which is subject to the approval of the member at the ensuing Annual General Meeting. The amount of the dividend proposed is in accordance with section 123 of the companies Act, 2013, as applicable.
- vi. Proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the companies (Audit and Auditors) Rule, 2014 is not applicable for the financial year ended March, 2023.

NHB/RBI Directions

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

For A P R A & Associates LLP
Chartered Accountants
(Firm Registration No. 011078N / N500064)

Sd/-
Arun Kumar Gupta

Partner
(Membership No.089657)

UDIN: 23089657BGUFSE9913

Place : New Delhi

Date : 26th May, 2023



Taluk Head Quarters Hospital, Punalur, Kollam District, Kerala

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Annexure referred to in Paragraph “15” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Housing and Urban Development Corporation Limited on the Standalone Financial Statements for the year ended March 31st, 2023).

i. In respect of Fixed assets:

- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) As per information and explanation given to us, the company has a regular programme for physical verification of all its Property, Plant & Equipment once every year at the end of the financial year which, in our opinion, is reasonable having regard to the size of the company and the nature of its Property, Plant & Equipment. Pursuant to the program, Property, Plant & Equipment were physically verified by the management during the year. In our opinion and as per the information given by the management, the discrepancies observed, were not material and have been appropriately accounted for in the books.
- c) The title / lease deeds of all the immovable properties (including investment properties) held by the company (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following properties:

Description of property	Gross carrying value (In Crore)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not held in name of company
Nil	Nil	Nil	Nil	Nil	Nil*

*Leasehold Land/ Flats/ building/ measuring 11521.52 sqr meters having cost of Rs.33.99 crore and Freehold land/ flats/ building/ measuring 4844.66 sqr meters having cost of Rs.3.24 crore, of which title/ lease deeds are pending for execution in the name of the Company.

- d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
 - e) According to information and explanations given by the management, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- ii. The nature of business of the company does not require it to have any inventory. Hence, the requirements of sub clause (a) and (b) of clause (ii) of Paragraph 3 of the said order, are not applicable to the company.
 - iii. According to the information and explanation given to us, the company has not made any investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in the register required to be maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence, reporting under clauses 3 (iii) (a), (b), (c), (d), (e) and (f) of the order is not applicable to the company.
 - iv. In our opinion and according to the information and explanation given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of Investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.
 - v. The company has not accepted any deposits from public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year under review. According to the information and explanation given to us, the company had discontinued accepting/ renewing Public Deposit under the Public Deposit Scheme w.e.f. 1 July 2019. However, the company has complied with directions issued by National Housing Bank / Reserve Bank of India; and the provisions of section 73 to 76 and other applicable relevant provisions of the Companies Act 2013 and the rules framed thereunder with regard to deposits outstanding during the year.
 - vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under subsection (1) of Section 148 of the Companies Act, 2013, in respect of the business of the Company Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
 - vii. (a) According to the information and explanation given to us and on the basis of our examination of the books of account, and records, the company has generally been regular in depositing undisputed statutory dues including Provident Fund,

Employees State Insurance, Income-Tax, Goods & Service Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

- (b) According to the information and explanations given to us, statutory dues referred to in sub-clause (a), which have not been deposited on account of any dispute are as under:

Name of the Statute	Nature of Dues	Amount (in Rs. crore)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Disputed Income-tax demand	20.30#	AY 1996-97, AY 1998-1999	Add. CIT and High Court
Income Tax Act, 1961	Disputed Income-tax demand	20.66#	AY 2004-05 and AY 2015-16	ITAT and Add. CIT
Income Tax Act, 1961	Disputed Income-tax demand	40.65#	AY 2010-11 to AY 2012-13 and AY 2014-15	ITAT
Income Tax Act, 1961	Disputed Income-tax demand	37.70#	AY 2013-14, AY 2016-17 and AY 2017-18	CIT(A)
Income Tax Act, 1961	Disputed Income-tax demand	85.09#	AY 1998-99 to AY 2004-05	Add. CIT
Income Tax Act, 1961	Disputed Income-tax demand	78.05#	AY 2005-06 to AY 2009-10	Add. CIT, ITAT Supreme Court
Income Tax Act, 1961	Disputed Income-tax demand	13.38#	AY 1997-98	CBDT and Add. CIT
Income Tax Act, 1961	Disputed Income-tax demand	14.50#	AY 2018-2019	CIT(A) and AO
Wealth Tax Act, 1957	Wealth Tax	0.01@	AY 1995-96	Add. CIT
Income Tax Act, 1961	Disputed Income-tax demand	8.85#	AY 2019-20	AO
Income Tax Act, 1961	Disputed Income-tax demand	0.39#	AY 2020-21	AO
Income Tax Act, 1961	Disputed Income-tax demand	1.06#	AY 2021-22	AO
Traces demand	TDS	0.05	FY 2007-08 Onwards	A.O
Service Tax- Finance Act, 1994	Disputed Service tax demand	2.15*	FY 2007-08 to FY 2017-18	Assistant/ Deputy/ Joint Commissioner of Service Tax/ GST
Service Tax- Finance Act, 1994	Disputed Service tax demand	2.76*	FY 2005-06 to FY 2008-09	CESTAT
Service Tax- Finance Act, 1994	Disputed Service tax demand	1.96**	FY 2016-17, 2017-18 and 2018-19	Directorate general of GST Intelligence
	Total	327.56		

Against disputed Income tax demand amounting to Rs.320.69 crore, Rs.301.70 crore has been adjusted by authorities or paid by the Company under protest from time to time and remaining Rs.18.99 crore has not been paid.

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

* In respect of disputed Service Tax demand amounting to Rs.4.91 crore, Rs.0.92 crore has been paid by the Company under protest from time to time and remaining Rs.3.99 crore has not been paid.

** Company has received a show case notice dated 28/10/2021 and assessment order on 06.12.2022 from GST department for which appeal has been filed. Matter is pending with adjudicating authority.

- viii. According to the information and explanations given to us, any transactions not recorded in the books of account have not been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and based upon the audit procedures performed, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us, the company is not declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on the basis of our examination of the records, funds raised on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x.** (a) According to the information and explanations given to us, the Company has not raised money by way of Initial public offer or further public offer (including debt instruments). Hence said clause are not applicable on the company.
- (b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures but has made private placement of non-convertible debentures during the year. Provisions of Section 42 and section 62 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- xi.** (a) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided by the management, we report that no fraud by the company or no material fraud on the company by the officers and employee of the company has been reported during the year.
- (b) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle-blower complaints were received during the year by the company
- xii.** In our opinion, the Company is not a nidhi company. Hence, reporting under clauses 12 (a), (b) and (c) of the Order are not applicable to the Company and hence not been commented upon.
- xiii.** In our opinion and according to the information and explanation given to us, transactions during the year with related parties were approved by the Audit Committee and are in compliance with Section 177 of the Companies Act, 2013 where applicable and since the said transactions were in the ordinary course of business of the Company and were at arm length basis, the provisions of Section 188 are not applicable, and the details have been disclosed in the Standalone Financial Statements, as required by the applicable Indian accounting standards (Ind AS)
- xiv.** (a) According to the information and explanations provided by the management, the company conducts Internal Audit quarterly and have an internal audit system commensurate with the size and nature of its business.
- (b) For deciding scope, timing and extent of audit procedures, we have considered the quarterly reports of Internal Auditor of all Regional offices and head office
- xv.** In our opinion and according to the information and explanations given to us, the company has not entered into any non - cash transaction with director or persons connected with him as referred to in Section 192 of the Act.
- xvi.** (a) The Company being a Housing Finance Company, is registered with National Housing Bank vide Registration No. 01.0016.01 by which NHB has granted status of Housing Finance Company (HFC) to the Company on 31st July 2001. Further, Reserve Bank of India has issued notification RBI/2020 21/60 DOR. NBFC (HFC).CC.No.118/03.10.136/2020-21 dated 22 October 2020 on regulatory framework for HFCs by which the definition of HFCs has undergone a change. The company is not meeting principal business criterion as mentioned in the notification for Housing Finance Companies. Accordingly, the company is required to get itself registered as NBFC in terms of the said notification. HUDCO had submitted application to RBI on 29th March, 2022 to convert from HFC to NBFC-IFC. In reference thereof, RBI vide letter dated December 22, 2022 expressed its inability to accede to HUDCO's request for conversion of certificate of registration (CoR) to an NBFC-IFC owing to non-fulfilment of certain condition of RBI Master Directions for NBFCs. After detailed deliberation and ensuring compliance with the RBI Master Directions for NBFCs, HUDCO has resubmitted the application with necessary documents with RBI for conversion of certificate as NBFC-IFC on February 22, 2023. So, HUDCO continues to retain the status of HFC.
- (b) According to the information and explanations provided to us, the company is a Housing Finance company and has conducted Housing Finance activities during the year

- (c) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) & (d) of the Order are not applicable to the Company and hence not commented upon.
- xvii.** Based upon the audit procedures performed and according to the information and explanations provided by the management, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii.** According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year. Accordingly, the provisions of clause 3(xviii) of the Order are not applicable to the Company.
- xix.** Based upon the audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our opinion no material uncertainty exists as on the date of the audit report that affects the capability of the company in meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx.** (a) According to the information and explanations given to us, an amount of Rs.16.99 crore was outstanding as on 31/03/2022 related to unspent CSR (other than ongoing projects) and same has been transferred to fund specified in Schedule VII within 6 month from end of the financial year as per second proviso to sub-section (5) of Section 135 of the Companies Act 2013.
- (b) According to the information and explanations given to us, an amount of Rs.8.89 crore was outstanding as on 31/03/2022 related to unspent CSR for ongoing projects and same has been transferred to special account as per provision of sub-section (6) of section 135 of the Companies Act 2013.
- xxi.** According to the information and explanations given to us, the company also prepares Consolidated Financial statements consolidating the Associates and Joint Ventures in accordance with Ind AS requirements and there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For A P R A & Associates LLP
Chartered Accountants
(Firm Registration No. 011078N / N500064)

Sd/-
Arun Kumar Gupta
Partner

(Membership No.089657)
UDIN: 23089657BGUFSE9913

Place : New Delhi

Date : 26th May, 2023



Waste Water Treatment Plant, AMRUT Scheme, Udaipur, Rajasthan

Annexure “B” to the Independent Auditor’s Report

(Annexure referred to in paragraph “16” under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Housing and Urban Development Corporation Limited on the Standalone Financial Statements for the year ended 31st March, 2023)

Our Comments with reference to areas to be examined by the Statutory Auditors during the course of audit of Annual Accounts of Housing and Urban Development Corporation Limited for the year 2022-23 issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013

Sr.No.	AREAS TO BE EXAMINED	REPLY FOR THE AREAS EXAMINED
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If, yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has the system in place to process all the accounting transactions through IT systems with some exceptions. It has been observed that all the base calculation like finalization of PDS Interest, Interest Payable on bonds and Borrowings, Depreciation etc. are processed outside IT systems i.e through excel sheets. Once the calculations are finalized then final vouchers are passed through various IT system. The company is using Lenovo Server, Weblogic, Linux OS and Developer forms/Oracle for maintaining the Holfin in which accounting entries/ vouchers are routed through. The company is in the process of implementation of ERP system and some of the modules have been operationalized during the Year 2022-23.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/ interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for. (In case lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	During the Financial Year 2022-23, no cases of restructuring of an existing loan or case of waiver/write-off of debts/loans/Interest etc. made by a lender to the company due to the company’s inability to repay the loan has been observed.
3.	Whether funds (Grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	On the basis of selective audit procedures, we have observed that the company has not received any grant/ subsidy from Central/ State Govt. agencies for their own utilization. The company act as channelizing agency for different Govt. of India’s Programmes. The funds received/ receivable for specific schemes from Central/ State agencies in this regard were properly accounted for/ utilized as per its terms and conditions.

For A P R A & Associates LLP
Chartered Accountants
(Firm Regn. No. 011078N / N500064)

Sd/-
Arun Kumar Gupta
Partner
(Membership No.089657)
UDIN: 23089657BGUFSE9913

Place : New Delhi
Date : 26th May, 2023

ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH 2023

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

1. We have audited the internal financial controls over financial reporting of **HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED** (“the Company”) as of March 31st, 2023 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following deficiencies have been identified as at March 31st, 2023

1. The company needs to revise the terms in relation to the refundable security deposits for the operating leases on investment properties. The security deposit needs to be increased in the same proportion as the increase in property rent. In absence of the same security deposit for some of the investment properties are inadequate to cover 3 month’s rent as per the agreed terms.

(The internal auditor of the company has also pointed out the above in their report.)

2. It has been identified in respect of entity level controls as well as financial closure processes with regard to reconciliations of various accounts carrying old credit/debit balances and supervision and monitoring of flow of information to/from regional offices/out sourced agencies to corporate office, necessary for financial closure and reporting leading to deficiencies in operating effectiveness of the Company's Internal financial controls with reference to financial statements as at March 31, 2023.
3. The company need to strengthen its internal financial controls regarding fixed assets identification/ physical verification process/ Insurance of all its fixed assets. The company need to ensure that fixed assets records/registers are regularly updated with the asset identification numbers and are properly insured.
4. The company needs to strengthen the record keeping and reconciliation between books of accounts and GST returns. Backup Data relating to GST input tax credit and Reconciliation thereof with GSTR 2B has not been made available to us in respect of all Regional offices and HSML.
5. The company needs to strengthen its financial control regarding the review and follow up of the terms of leased properties. Lease agreements for a period exceeding 11 months should be registered with registrar of properties as per the provisions of Section 17 of the registration Act 1908 and appropriate stamp duty should be paid in terms of Indian Stamp Act 1899.
In some cases it is found that lease deed for a period more than as prescribed for registration is not so registered and appropriate stamp duty not paid. Also the lease deeds are not renewed effectively in time.
6. Revised Consolidated Policy for Valuation of Properties/ Securities and Empanelment of Valuer came into effect from 31st January 2018. As per this revised policy, in the case of Project loans which are standard assets, valuation has to be done once in 5 years by the empanelled Independent valuer. And for sub-standard assets on an annual basis where 100% provisioning has not been made. As per the revised policy, valuation should be obtained from minimum 2 Independent valuers in the cases where loan amount is Rs 75 lakhs or more. Lower of the two to be considered for the purpose of valuing the security of the loan. It has come to our knowledge that valuation reports have not been obtained as per the revised policy in few cases.

In our opinion considering nature of business, size of operation and organizational structure of the entity, except for the effects/ possible effects of the deficiencies described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31st, 2023, based the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the deficiencies identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31st, 2023 standalone financial statements of the Company, and these deficiencies does not affect our opinion on the standalone financial statements of the Company.

For A P R A & Associates LLP
Chartered Accountants
(Firm Registration No. 011078N / N500064)

Sd/-
Arun Kumar Gupta
Partner

(Membership No.089657)

UDIN: 23089657BGUFSE9913

Place : New Delhi

Date : 26th May, 2023

Annexure-D

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of Housing and Urban Development Corporation Limited for the year ended 31st March, 2023 in accordance with the directions / sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions / Sub-directions issued to us.

For A P R A & Associates LLP
Chartered Accountants
(Firm Registration No. 011078N / N500064)

Sd/-
Arun Kumar Gupta
Partner

(Membership No.089657)

UDIN: 23089657BGUFSE9913

Place : New Delhi

Date : 26th May, 2023

BALANCE SHEET AS AT 31ST MARCH, 2023

(₹ in crore)

S. No.	PARTICULARS	NOTE No.	As at 31 st March, 2023	As at 31 st March, 2022
I	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	6	47.83	559.99
(b)	Bank Balance other than (a) above	7	21.02	83.94
(c)	Derivative Financial Instruments	8	0.02	0.32
(d)	Receivables			
	- Trade Receivables	9	1.38	7.16
	- Other Receivables		0.53	1.92
(e)	Loans	10	79,236.97	76,989.92
(f)	Investments	11	631.37	258.71
(g)	Other Financial Assets	12	587.20	534.96
	Sub Total (1)		80,526.32	78,436.92
2	Non-Financial Assets			
(a)	Current Tax Assets (Net)	13	-	-
(b)	Investment Property	14A	20.47	17.65
(c)	Property, Plant and Equipment	14B	61.92	74.38
(d)	Capital Work-in-Progress	14C	17.48	17.26
(e)	Intangible Assets under Development	14D	2.01	8.14
(f)	Other Intangible Assets	14E	7.48	1.09
(g)	Other Non-Financial Assets	15	335.28	339.73
	Sub Total (2)		444.64	458.25
	TOTAL ASSETS (1+2)		80,970.96	78,895.17
II	LIABILITIES AND EQUITY			
A	Liabilities			
1	Financial Liabilities			
(a)	Derivative Financial Instruments		-	-
(b)	Payables	16		
(i)	Trade Payable			
	- Total outstanding dues of MSME		-	-
	- Total outstanding dues of creditors other than MSME		0.05	0.09
(ii)	Other Payables			
	- Total outstanding dues of MSME		0.20	0.29
	- Total outstanding dues of creditors other than MSME		7.69	9.26
(c)	Debt Securities	17	48,192.09	54,450.18
(d)	Borrowings	18	14,711.28	7,048.96
(e)	Deposits	19	1.71	3.90
(f)	Other Financial Liabilities	20	1,203.75	1,643.91
	Sub Total (A-1)		64,116.77	63,156.59
2	Non-Financial Liabilities			
(a)	Current Tax Liabilities (Net)	13	14.56	7.51
(b)	Provisions	21	342.52	339.44
(c)	Deferred Tax Liabilities (Net)	22	1,006.12	843.61
(d)	Other Non-Financial Liabilities	23	45.74	79.70
	Sub Total (A-2)		1,408.94	1,270.26
	Sub Total (A)		65,525.71	64,426.85
B	Equity			
(a)	Equity Share Capital	24	2,001.90	2,001.90
(b)	Other Equity	25	13,443.35	12,466.42
	Sub Total (B)		15,445.25	14,468.32
	TOTAL LIABILITIES AND EQUITY (A+B)		80,970.96	78,895.17
Note to Accounts:		1 to 40		
Note :The Notes referred to above form an integral part of the Financial Statements				

For and on behalf of the Board of Directors

 Sd/-
 Harish Kumar Sharma
 Company Secretary
 ACS 6557

 Sd/-
 D. Guhan
 Director Finance & Chief Financial Officer
 DIN 06757569

 Sd/-
 M. Nagaraj
 Director Corporate Planning
 DIN 05184848

 Sd/-
 Kuldeep Narayan
 Chairman & Managing Director
 DIN 03276525

 As per our separate report of even date attached
 For A P R A & Associates LLP
 Chartered Accountants
 FRN- 011078N/N500064

 Place: New Delhi
 Date: 26th May, 2023

 Sd/-
 Arun Kumar Gupta
 Partner
 (M. No.- 089657)

STATEMENT OF PROFIT AND LOSS

(₹ in crore)

S. No.	PARTICULARS	NOTE No.	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
I	INCOME			
A	Revenue from Operations			
(a)	Interest Income	26	6,983.44	6,888.05
(b)	Dividend Income	40(8)	0.06	0.08
(c)	Rental Income	14A	54.18	49.04
(d)	Fees and Commission Income	35	2.66	2.57
(e)	Net Gain on Fair Value changes	27	7.46	12.31
(f)	Sale of Services	35	1.66	2.03
	Total Revenue from Operations (A)		7,049.46	6,954.08
B	Other Income	28	36.72	43.58
	Total Income I (A+B)		7,086.18	6,997.66
II	EXPENSES			
(a)	Finance Cost	29	4,507.08	4,532.53
(b)	Fees and Commission Expense	40(22)	2.13	2.24
(c)	Net Loss on Fair Value Changes	27	-	-
(d)	Impairment on Financial Instruments	30	(73.69)	(245.66)
(e)	Employee Benefit Expense	31	186.62	218.09
(f)	Depreciation, Amortization & Impairment	14A,B&E	11.31	7.90
(g)	Corporate Social Responsibilities	40(37)	44.98	46.95
(h)	Other Expenses	32	118.34	89.67
	Total Expenses II		4,796.77	4,651.72
III	Profit/ (Loss) Before Tax (I-II)		2,289.41	2,345.94
IV	Tax Expense:	38		
(i)	Current Tax		435.00	419.00
(ii)	Deferred Tax		154.19	210.58
(iii)	Adjustment of tax of earlier years (Net)		(1.40)	(0.24)
	Total Tax Expenses IV (i+ii+iii)		587.79	629.34
V	Profit/ (Loss) for the Period		1,701.62	1,716.60
VI	Other Comprehensive Income			
A (i)	Items that will not be reclassified to profit or loss (specify items and amounts)			
	Re-measurement gains (losses) on defined benefit plans		33.06	(2.57)
(ii)	Income tax relating to items that will not be reclassified to profit or loss		(8.32)	0.65
	Sub-total (A)		24.74	(1.92)
B (i)	Items that will be reclassified to profit and loss (specify items and amounts)		-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub-total (B)		-	-
	Other Comprehensive Income (A + B)		24.74	(1.92)
VII	Total Comprehensive Income for the period		1,726.36	1,714.68
	Earnings per equity share (for continuing operations)			
	Basic (₹)		8.50	8.57
	Diluted (₹)		8.50	8.57
Note to Accounts		1 to 40		
Note: The Notes referred to above form an integral part of the Financial Statements				

For and on behalf of the Board of Directors

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN 03276525

As per our separate report of even date attached
For A P R A & Associates LLP
Chartered Accountants
FRN- 011078N/N500064

Sd/-
Arun Kumar Gupta
Partner
(M. No.- 089657)

Place: New Delhi
Date: 26th May, 2023

STATEMENT OF CHANGES IN EQUITY

(A) EQUITY SHARE CAPITAL

(1) FOR THE FINANCIAL YEAR 2022-2023

Balance at the beginning of the current reporting period i.e. 01.04.2022	Changes in Equity Share Capital due to prior period error	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period i.e. 31.03.2023
2001.90	0.00	0.00	0.00	2001.90

(₹ in crore)

(2) FOR THE FINANCIAL YEAR 2021-2022

Balance at the beginning of the Previous reporting period i.e. 01.04.2021	Changes in Equity Share Capital due to prior period error	Restated balance at the beginning of the Previous reporting period	Changes in equity share capital during the Previous year	Balance at the end of the Previous reporting period i.e. 31.03.2022
2001.90	0.00	0.00	0.00	2001.90

(₹ in crore)

(B) OTHER EQUITY

S. No.	Particulars	Share Application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Retained Earning	Money received against share warrants	Total			
				Capital Reserve	Securities Premium (Bonds)	Debt Redemption Reserve**	Statutory Reserves				Other Reserves		
1	Balance as at 1 st April, 2022			1.26	3,125.18	5,735.19	221.98	59.96	72.07	209.00	2,486.28	553.49	12,466.42
	Final Dividend for 2021-22											(550.52)	(550.52)
	Profit during FY 2022-23											1,701.62	1,701.62
	Other Comprehensive Income for the year 2022-23											24.74	24.74
	Total Comprehensive Income for the year 2022-23											1,726.36	1,726.36
	Transferred to from Surplus to General Reserve											-	-
	Transferred to from Surplus to Impairment Reserve						67.88					(67.88)	-
	Transferred from Surplus to DRR				280.63							(280.63)	-
	Transferred from Surplus to Reserve for Bad & Doubtful Debt									105.00		(105.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver									(48.77)		-	(48.77)
	Transferred from Surplus to Special Reserve					500.00						(500.00)	-
	Transferred to General Reserve				(508.86)						508.86	-	-

(₹ in crore)

S. No.	Particulars	Share Application money pending allotment	Equity component of financial instruments	Capital Reserve	Securities Premium (Bonds)*	Reserves and Surplus						Money received against share warrants	Total	
						Debtenture/ Bond Redemption Reserve**	Special Reserve ***	Special Reserve u/s 29C ***	Impairment Reserve#	Capital Reserve (KfW) Reserve	Other Reserves			Retained Earning
	Interim Dividend during FY 2022-23													(150.14)
2	Balance as at 31 st March, 2023				1.26	2,896.95	6,235.19	-	289.86	59.96	72.07	2,997.14	625.68	13,443.35
3	Balance as on 01 st April, 2021				1.26	3,876.87	5,235.19	-	161.81	59.96	72.07	1,405.08	285.90	11,187.15
	Final Dividend for 2020-21												(285.27)	(285.27)
	Profit during FY 2021-22												1,716.60	1,716.60
	Other Comprehensive Income for the year 2021-22												(1.92)	(1.92)
	Total Comprehensive Income for the year 2021-22												1,714.68	1,714.68
	Transferred to from Surplus to General Reserve												-	-
	Transferred to from Surplus to Impairment Reserve								60.17				(60.17)	-
	Transferred from Surplus to DRR					331.51							(331.51)	-
	Transferred from Surplus to Reserve for Bad & Doubtful Debt										120.00		(120.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver												-	-
	Transferred from Surplus to Special Reserve						500.00						(500.00)	-
	Transferred to General Reserve										1,083.20		-	-
4	Interim Dividend during FY 2021-22												(150.14)	(150.14)
	Balance as at 31 st March, 2022				1.26	3,125.18	5,735.19	-	221.98	59.96	72.07	2,488.28	553.49	12,466.42

1 to 40

* Note to Accounts:
Note : The Notes referred above for an intergrat part of the ficial statement*

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN 03276525

For and on behalf of the Board of Directors
As per our separate report of even date attached
For A P R & Associates LLP
Chartered Accountants
FRN- 011078/N/500064

Sd/-
Arun Kumar Gupta
Partner
(M. No. - 089657)

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March, 2023

(₹ in crore)

S. No.	Particulars	Period ended 31 st March, 2023	Period ended 31 st March, 2022
A	Operating activities		
	Profit before tax	2289.41	2345.94
	Adjustments to reconcile profit before tax to net cash flows:		
(i)	Depreciation & amortisation	11.31	7.90
(ii)	Impairment on financial instruments	(73.69)	(245.66)
(iii)	Unrealised foreign exchange gain/loss and EIR on borrowings	10.45	8.93
(iv)	Unrealised loss/ (gain) on investment held for trading & derivatives	(7.75)	(12.65)
(v)	Change in the fair value of hedged item	0.29	0.34
(vi)	Dividend income	(0.06)	(0.08)
(vii)	Interest on investments	(14.34)	(0.24)
(viii)	Provision for employee benefits and CSR	36.14	4.04
(ix)	Provision for Interest under Income Tax Act	0.60	0.50
(x)	Loss/ (Profit) on sale of Fixed Assets (Net)	(0.07)	(0.01)
(xi)	EIR on Advances	5.49	7.16
(xii)	Discounting of security deposit and deposit for services	(0.02)	(0.01)
(xiii)	Discounting of Interest Income on Staff Advances	(2.13)	(2.61)
(xiv)	Discounting of Employee cost of Staff advances	1.93	2.35
	Operating Profit before Working capital changes	2257.56	2115.90
	Working capital changes		
(i)	Loans	(2228.13)	(2455.65)
(ii)	Trade receivables, financial and non-financial assets	23.07	38.03
(iii)	Liabilities and provisions	(481.94)	(92.03)
	Sub Total	(2687.00)	(2509.65)
	Income tax paid (Net of refunds)	(421.04)	(411.99)
	Net cash flows from/(used in) operating activities - A	(850.48)	(805.74)
B	Investing activities		
(i)	Purchase of fixed and intangible assets	(2.27)	(6.41)
(ii)	Proceeds from sale of property and equipment	0.18	0.16
(iii)	Investments at fair value through Profit and Loss	(350.57)	5.05
(iv)	Dividend received	0.06	0.08
	Net cash flows from/(used in) investing activities - B	(352.60)	(1.12)
C	Financing activities		
(i)	Change in borrowings	1391.59	516.15
(ii)	Dividends paid	(700.67)	(435.42)
	Net cash flows from financing activities - C	690.92	80.73
D	Net increase in cash and cash equivalents A+B+C	(512.16)	(726.13)
	Cash and cash equivalents at Beginning of year	559.99	1286.12
	Cash and cash equivalents at the end of year	47.83	559.99
Components of Cash & Cash Equivalents			
A	Cash & Cash Equivalents		
(i)	Cash & Revenue Stamps in hand	-	-
(ii)	Imprest	-	-
(iii)	Bank Deposits (3 months and less than 3 months)*	5.12	333.73
(iv)	Balances in Current Account with		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks*	42.69	226.24
	- Demand Drafts in hand	-	-
	Total	47.83	559.99

* Earmarked balances in cash & cash equivalents are ₹ 34.07 crore (previous year ₹ 186.53 crore)

Note: Cash Flows has been prepared using Indirect Method whereby profit for the year is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash flows are separated into operating, investing and financing activities

For and on behalf of the Board of Directors

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Company Secretary
ACS 6557

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Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN 03276525

As per our separate report of even date attached
For A P R A & Associates LLP
Chartered Accountants
FRN- 011078N/N500064

Place: New Delhi
Date: 26th May, 2023

Sd/-
Arun Kumar Gupta
Partner
(M. No.- 089657)

NOTES FORMING PART OF ACCOUNTS

1. Corporate information

Housing and Urban Development Corporation Limited is a listed public limited company (Government of India undertaking) domiciled in India and incorporated on 25th April, 1970 under the provisions of Companies Act, 1956. The Company's registered office is at Core 7A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003. The Company is a Housing Finance Company ('HFC') registered with the National Housing Bank ('NHB'). The Company is primarily engaged in the business of financing Housing and Urban development activities in the country.

The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB. RBI has issued notification dated October 22, 2020, on regulatory framework for HFCs, by which the definition of HFCs has undergone a change. HUDCO had submitted application to RBI on 29th March, 2022 to convert from HFC to NBFC- IFC. In reference thereof, RBI vide letter dated December 22, 2022 expressed its inability to accede to HUDCO's request for conversion of certificate of registration (CoR) to an NBFC-IFC owing to non-fulfilment of certain condition of RBI Master Directions for NBFCs. After detailed deliberation and ensuring compliance with the RBI Master Directions for NBFCs, HUDCO has resubmitted the application with necessary documents with RBI for conversion of certificate as NBFC-IFC on February 22, 2023. In view of the above, the management reckons to receive the said approval from RBI in FY 2023-24. Till such time HUDCO continues to retain the status of HFC. (Refer Point no.14 of Note 40 to the Notes to Accounts).

The financial statements are approved for issuance by the Company's Board of Directors on May 26, 2023

2. Application of New Indian Accounting Standards (Ind AS)

All the Indian Accounting Standards issued and notified by the Ministry of Corporate affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing the standalone Ind AS Financial Statements.

The financial statements are approved for issuance by the Company's Board of Directors on May 26, 2023

3. Standard/Amendments issued but not yet effective

Ministry of Corporate Affairs ("MCA") vide notification dated March 31st, 2023, has issued amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015, which shall come into force with effect from 1st day of April, 2023 Viz.,

- a) Ind AS 1 – Presentation of Financial Statements: -
- b) Ind AS 12 – Income Taxes: -
- c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors: -

The company does not expect this amendment to have any significant impact in its financial statements.

4. Significant accounting policies

4.1 Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under the companies (Indian Accounting Standard) Rules 2015 (as amended).

4.2 Basis of preparation and presentation

The standalone Ind AS financial statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets (equity instruments classified as Fair Value Through P&L Account etc.) and financial liabilities (derivatives etc.) and financial liabilities that are measured at fair value at the end of each reporting date as required under relevant Ind AS.

4.3 Investment in associates and joint ventures

The Company records the investments in associates and joint ventures at cost less impairment loss, if any.

On disposal of Investment in associate, and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the standalone statement of profit and loss.

4.4 Use of estimates

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

4.5 Cash and cash equivalents

Cash and cash equivalent comprise of cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and stamping/franking balance, which are subject to an insignificant risk of changes in value.

4.6 Foreign currency

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

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are recorded by the Company at the exchange rates prevailing on the date of the transaction.

At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange (RBI Reference Rate) prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss in the period in which they arise.

4.7 Revenue recognition

4.7.1 Interest income

As per Ind AS 109, Interest income, for all debt instruments measured is recorded using the effective interest rate (EIR). The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are incrementally directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company has recognized any fees that are incrementally directly attributable to the loans on the basis of Straight-Line Basis co-terminus with the term of loan.

Interest income in Non-Performing Assets and /or Stage 3 in Financial Assets is recognized only on cash/receipt basis.

4.7.2 Dividends

Dividend Income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

4.7.3 Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

4.7.4 "Revenue from Contracts with Customers" which includes but not limited to Consultancy, trusteeship, & Consortium, charges on Construction Projects, Management Development Program or any other income is recognized as per Ind AS 115 on "Revenue from Contracts with Customers"

4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

4.9 Investment properties-Ind AS 40

Recognition

Investment properties are measured initially at cost, including transaction costs. The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent Measurement (Depreciation)

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates building component of Investment property over useful life prescribed under Part C of schedule II to the Companies Act, 2013. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

De-recognition

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of profit or loss in the period of de-recognition on disposal.

4.10 Property, Plant and Equipment (PPE) and Intangible assets**Recognition**

The company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets as on 1st April 2017.

Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment (PPE) is charged on Straight line method either on the basis of rates arrived at with the reference to the useful life of the assets arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Derecognition

An item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss account when the asset is derecognized.

Intangible assets

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible Assets comprising of Computer Software are stated at Cost less accumulated amortization.

4.11 Depreciation and amortization

- a) Depreciation is provided over the useful life of the PPE set as per Schedule-II of Companies Act, 2013 and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as residual value effective from 1st April, 2014.
- b) On PPE costing upto Rs 5000 per item are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- c) Books purchased during the year are clubbed under Library Books and depreciation thereon is provided @ 100%.
- d) Computer software is amortized over a period of five years on a straight-line basis.

4.12 Capital -work-in -Progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct and related incidental expenses.

Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance sheet are disclosed as Intangible assets under development.

4.13 Leases**(a) Company as a lessee**

- (i) The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is re-measured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets: -The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the term of relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".

4.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities i.e. Loans and advances, Equity investments, Derivative financial instruments and all other financial assets and liabilities are recognised initially at fair value plus or minus transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability except in the case of financial assets or financial liability recorded at fair value through profit or loss where the transaction cost are charged to profit and loss.

Subsequent measurement

a) Non-derivative financial instruments

i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an

irrevocable election based on its business model, for its investments which are classified as equity instruments other than which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/ financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

4.15 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from retained earnings, net of any related income tax effects.

4.16 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.17 Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance with the principles laid down in Ind AS 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting date and the financial assets are classified into three categories based on the number of days of past due: -

Stage – 1	-	0-30 days
Stage – 2	-	31-90 days
Stage – 3	-	Above 90 days.

The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provision is made in order to establish a balance in the provision for loans that the Corporation's management considers prudent and adequate keeping in view the unforeseen events and happenings such as change in policy of Government and procedural delays in repayments from the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification Loans

The company allows concessions or modification of loan term as a response to the borrowers' financial difficulties rather than taking possession or to other wise enforce collection of security. The company considers a loan for borne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case-by-case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.

b) Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

4.18 Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e., by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

- (a) The Company acts as a channelizing agency for disbursement of grants/ subsidies under various schemes of the Government and Government Agencies. The Company receives the amount of such grants/subsidies and disburses them to eligible parties in accordance with the schemes of the relevant grants/subsidies. The undisbursed grants / subsidies as at the year-end are shown as a part of Financial Liabilities. Where grants/ subsidies disbursed exceed the related amount received, such amount receivable from Government / Government Agencies is shown as a part of other Loans and Advances.
- (b) Grants received from other than Govt. agencies or development partners, in respect of certain schemes for economically weaker sections / low-income groups are also dealt with in the manner described at (a) above. Interest earned on loans given under certain specified schemes is shown under "Financial Liabilities" and is utilized as per the terms of the agreement.

4.19 Employee benefits

- (a) Expenditure on company contributions to Provident Fund, Group Saving Linked Insurance Scheme, EPFO's Employees' Pension Scheme and HUDCO's Employees' Pension Scheme is accounted for on accrual basis in accordance with the terms of the relevant schemes and charged to Statement of Profit & Loss. The Company's obligation towards gratuity, provident fund and post-retirement medical benefits to employees are actuarially determined and provided for as per Ind AS 19 on Employee Benefits. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

The Company's obligation towards sick leave, earned leave, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.

4.20 Taxes – Ind AS 12

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

In respect of disputed income tax / wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.21 Dividend

Proposed final dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

4.22 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

4.23 Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.
- Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

5. Significant accounting judgements, estimates and assumptions

- The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.
- Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5.1 Business model assessment

- Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and Assumptions

- The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

5.2 Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

5.3 Effective Interest Rate (EIR) method

The company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

5.4 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis

- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

5.5 Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

5.6 Revenue from contract with Customers

The Company's contracts with customers include promises to transfer services to a customer. The Company assesses the services promised in a contract and identifies performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or services, transfer of significant risks and rewards to the customer, etc.

5.7 Leases

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.



Administrative Block, Taluk Head Quarters Hospital, Kottarakkara, Kollam District, Kerala

NOTE 6: CASH AND CASH EQUIVALENTS

(₹ in crore)

S.No.	PARTICULARS ⁰	As at 31 st March, 2023	As at 31 st March, 2022
	Cash and Cash Equivalents		
(i)	Cash and Revenue Stamps in hand	-	-
(ii)	Bank Deposits (3 months and less than 3 months) ** #	5.12	333.73
(iii)	Balances in Current account with:		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks * \$	42.69	226.24
(iv)	Cheque/Demand draft in hand	-	-
	Total	47.83	559.99

\$ Balances with Banks in current accounts maintained with various Banks.

Includes High Quality Liquid Assets (HQLAs) of Nil (previous year ₹322.50) maintained as per RBI Directions.

Components of Cash & Cash Equivalents : Earmarked balances with Bank

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
*	Balances in Current Accounts With Scheduled Banks:		
(i)	Rajiv Rinn Yojana	0.05	0.05
(ii)	No-Lien account of Andrews Ganj Project	0.08	0.08
(iii)	Heritage Project - Retail Finance	0.04	0.04
(iv)	Interest Subsidy for Housing Urban Poor (ISHUP)	0.01	0.01
(v)	Credit Linked Subsidy Scheme	0.11	109.78
(vi)	Hudco CSR unspent fund ##	13.76	27.02
(vii)	BSUP Project	-	0.01
(viii)	Interim Dividend Balance	0.20	27.32
(ix)	Unclaimed Dividend	1.14	0.86
(x)	Unclaimed Bonds	13.49	10.58
(xi)	Unclaimed Principal & Interest PDS	0.19	0.20
	Sub Total - Balances in Current Accounts With Schedules Banks	29.07	175.95
**	Bank Deposits (3 months & Less than 3 months)		
(i)	Vikat Hotel	4.77	4.68
(ii)	Credit Linked Subsidy Scheme #	0.04	2.47
(iii)	Sagar Co-operative Housing Society #	-	0.29
(iv)	Rajiv Rinn Yojana	0.19	0.57
(v)	DRT Chennai	-	-
(vi)	Liquid Assets Fixed Deposits @	-	2.57
	Sub Total - Bank Deposits (3 months & Less than 3 months)	5.00	10.58

Includes interest accrued but not due.

@ Fixed Deposits are maintained as per the requirements of section 29B of National Housing Bank Act, 1987.

CSR Unspent fund Balance.

NOTE 7: BANK BALANCES OTHER THAN ABOVE

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
	Bank balance other than above		
(i)	Bank Deposits (More than 3 months & upto 12 months) *#%	21.02	67.69
(ii)	Bank Deposits - (More than 12 months) ** #	-	16.25
	Total	21.02	83.94

% Includes Deposit with EXIM Bank in terms of swap arrangement in respect of ADB Loan.

*** Components of Bank balances - Earmarked Bank Deposits (More than 3 months & upto 12 months) :**

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
(i)	Human Settlement Management Institute Study Fund #	4.43	4.23
(ii)	Rajiv Rinn Yojana #	1.12	40.99
(iii)	Heritage Project - Retail Finance #	1.99	1.89
(iv)	SPIL #	0.40	0.38
(v)	BSUP Project	3.78	3.56
(vi)	OCRPMO	0.34	0.32
(vii)	Credit Linked Subsidy Scheme	8.96	-
	Sub Total - Bank Deposits (More than 3 months & upto 12 months)	21.02	51.37

Note: Short term deposits are made for varying periods upto one year depending on short term liquidity requirements of HUDCO and earn interest at respective short term deposit rates.

**** Components of Bank balances - Earmarked Bank Deposits (More than 12 months) :**

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
(i)	Under lien with Bank of India, Cayman Island branch, USA #	0.00	16.25
		0.00	16.25

Includes interest accrued but not due.

NOTE 8: DERIVATIVE FINANCIAL INSTRUMENTS

S. No.	Particulars	As at 31 st March, 2023		As at 31 st March, 2022		
		Notional amounts (1)	Fair value assets (2)	Notional amounts (1)	Fair value assets (2)	Fair value liabilities (3)
	PART I					
A	Currency Derivatives:					
I	Currency Swaps					
(a)	USAID - II					
	- with ICICI Bank	-	-	3.43	0.32	-
II	Forward Contract					
(a)	JBIC					
	-with MUFG Bank	1.53	0.02	-	-	-
	Total A	1.53	0.02	3.43	0.32	-
(B)	Interest rate derivatives:					
	- Interest rate Swaps					
	Total B	-	-	-	-	-
	Total Part I (A) + (B)	1.53	0.02	3.43	0.32	-
	PART II					
	Included in above (Part I) are Derivatives held for Hedging and Risk Management Purposes as follows:					
A	Fair value hedging:					
	Sub-total A	-	-	-	-	-
B	Cash flow hedging:					
	Sub-total B	-	-	-	-	-
C	Net Investment hedging:					
	Sub-total C	-	-	-	-	-
D	Undesignated derivatives					
	Sub-total D	1.53	0.02	3.43	0.32	-
	Total Part II (A) + (B) + (C) + (D)	1.53	0.02	3.43	0.32	-
	Total derivative financial instruments	1.53	0.02	3.43	0.32	-

Note:

- 1 The table above shows fair value of Derivative financial instruments recorded as Assets/Liabilities together with their Notional amounts. The Notional amounts indicate the value of transactions outstanding at the period end and are not indicative of market or credit risk
- 2 The fair value of the derivative financial instruments are those as informed by the counter parties (generally Banks).
- 3 The Company holds Derivative financial instruments such as foreign exchange forward contracts, currency swaps or currency option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency liabilities/forecasted cash flow denominated in foreign currencies. Derivatives are used exclusively for hedging and not as trading or speculative instruments. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. The counter party for these contracts is generally a bank.
- 4 Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in statement of Profit and Loss.
- 5 The Company's risk management strategy and how it is applied to manage risk are explained in Note 36 of Notes to Accounts.

NOTE 8: (Cont.)
Offsetting
Financial assets subject to offsetting, netting arrangements

(₹ in crore)

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
At 31 st March, 2023	0.02	-	0.02	-	-	-	0.02	0.02	-
At 31 st March, 2022	0.32	-	0.32	-	-	-	0.32	0.32	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

Financial liabilities subject to offsetting, netting arrangements

(₹ in crore)

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
At 31 st March, 2023	-	-	-	-	-	-	-	-	-
At 31 st March, 2022	-	-	-	-	-	-	-	-	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

NOTE 9: RECEIVABLES

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2023	As at 31 st March, 2022
I	TRADE RECEIVABLE			
(i)	- Considered good- Unsecured	11.69		24.17
(ii)	- Less: Credit Impaired	10.31		17.01
	Sub-total (I)		1.38	7.16
II	OTHER RECEIVABLE			
(i)	- Considered good- Unsecured	2.71		4.06
(ii)	- Less: Credit Impaired	2.18		2.14
	Sub-total (II)		0.53	1.92
	Total (I+II)		1.91	9.08

Footnote:

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
1	- Considered good- Secured	-	-
	- Considered good- Unsecured	14.39	28.23
	- Credit Impaired	12.49	19.15
2	Trade Receivable stated above include debts due by:		
	Director	Nil	Nil
	Other Officers of the Company	Nil	Nil
	Firm in which director is a partner	Nil	Nil
	Private Company in which director is a member	Nil	Nil

TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31st March 2022						
(i) Undisputed Trade Receivables - considered good	1.80	0.04	1.13	1.61	2.58	7.16
(ii) Undisputed Trade Receivables - considered doubtful*	0.00	0.00	0.00	0.00	17.01	17.01
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2023						
(i) Undisputed Trade Receivables - considered good	0.59	0.34	0.30	0.43	0.87	2.53
(ii) Undisputed Trade Receivables - considered doubtful*	0.00	0.00	0.00	0.00	9.16	9.16
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

* Provision of current year is ₹ 10.31 crore (Previous year ₹ 17.01 crore) on account of trade receivables- considered doubtful has been created.

NOTE 10: LOANS

S.No.	PARTICULARS	As at 31 st March, 2023						As at 31 st March, 2022												
		Amortised Cost		At fair value		Total	Subtotal	Total	Subtotal	At fair value		Total								
		(1)	(2)	(3)	(4)					(1)	(2)		(3)	(4)						
A (i)	Term Loans																			
(a)	Loans & advances	81,633.90	-	-	-	81,633.90	-	-	-	79,456.24	-	-	-	-	-	-	-	-	-	79,456.24
(ii)	Others																			
(a)	Staff loans *	34.28	-	-	-	34.28	-	-	-	38.05	-	-	-	-	-	-	-	-	-	38.05
	Total (A) Gross	81,668.18	-	-	-	81,668.18	-	-	-	79,494.29	-	-	-	-	-	-	-	-	-	79,494.29
(iii)	Less: Impairment loss allowance	2,431.21	-	-	-	2,431.21	-	-	-	2,504.37	-	-	-	-	-	-	-	-	-	2,504.37
	<i>(Refer S.No. 5 (b), 12 & 31 of Note No. 40- Explanatory notes)#</i>																			
	Total (A) Net	79,236.97	-	-	-	79,236.97	-	-	-	76,989.92	-	-	-	-	-	-	-	-	-	76,989.92
B (i)	Secured by tangible assets.	6,150.94	-	-	-	6,150.94	-	-	-	6,977.26	-	-	-	-	-	-	-	-	-	6,977.26
(ii)	Secured by intangible assets.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii)	Covered by Bank/Government Guarantees @	75,496.45	-	-	-	75,496.45	-	-	-	72,142.56	-	-	-	-	-	-	-	-	-	72,142.56
(iv)	Unsecured	20.79	-	-	-	20.79	-	-	-	374.47	-	-	-	-	-	-	-	-	-	374.47
	Total (B) - Gross	81,668.18	-	-	-	81,668.18	-	-	-	79,494.29	-	-	-	-	-	-	-	-	-	79,494.29
(v)	Less: Impairment Loss Allowance	2,431.21	-	-	-	2,431.21	-	-	-	2,504.37	-	-	-	-	-	-	-	-	-	2,504.37
	Total (B) - Net	79,236.97	-	-	-	79,236.97	-	-	-	76,989.92	-	-	-	-	-	-	-	-	-	76,989.92
C (i)	Public Sector	79,151.31	-	-	-	79,151.31	-	-	-	76,871.38	-	-	-	-	-	-	-	-	-	76,871.38
(ii)	Other than Public Sector	2,516.87	-	-	-	2,516.87	-	-	-	2,622.91	-	-	-	-	-	-	-	-	-	2,622.91
	Total (C) - Gross	81,668.18	-	-	-	81,668.18	-	-	-	79,494.29	-	-	-	-	-	-	-	-	-	79,494.29
(iii)	Less: Impairment Loss Allowance	2,431.21	-	-	-	2,431.21	-	-	-	2,504.37	-	-	-	-	-	-	-	-	-	2,504.37
	Total (C) - Net	79,236.97	-	-	-	79,236.97	-	-	-	76,989.92	-	-	-	-	-	-	-	-	-	76,989.92

Note: The company has only 'Amortised cost category' to present in this schedule.

* Includes secured by way of mortgage of ₹ 25.05 crore (previous year ₹ 26.84 crore)

Includes provision on undrawn commitment of ₹ 1.00 crore (previous year ₹ 0.62 crore)

@ Includes ₹ 5.61 crore (previous year ₹ 5.61 crore) of Loans secured through Bank Guarantees.

@@ Includes loan of ₹ 20,000 crore (Previous Year ₹ 20,000 crore) extended to BMTPC, raised by issue of "GOI fully serviced Bonds", repayment of which shall be met by Government of India through suitable provision in the Budget of Ministry of Housing and Urban Affairs.

NOTE 10: (Contd.)
NOTE: 10(a)(1): Impairment allowance for loans and advances to customers

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 10(a)(4)(ii) and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 10(a)(4)(vi).

31st March, 2023
(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	129.95	-	377.21	507.16
Low_Risk	39,495.27	3,298.77	104.46	42,898.50
Grand Total	39,625.22	3,298.77	481.67	43,405.66

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	0.13	-	-	0.13
Medium_Risk	2,813.98	-	143.05	2,957.03
Low_Risk	29,989.20	1,755.38	5.85	31,750.43
Grand Total	32,803.31	1,755.38	148.90	34,707.59

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.43	11.43
Medium_Risk	279.52	-	2,093.79	2,373.31
Low_Risk	-	-	5.61	5.61
Grand Total	279.52	-	2,110.83	2,390.35

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	153.61	-	-	153.61
Medium_Risk	68.23	0.11	17.77	86.11
Low_Risk	-	-	-	-
Grand Total	221.84	0.11	17.77	239.72

31st March, 2022
(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	163.47	-	402.95	566.42
Low_Risk	42,531.86	1,260.78	45.38	43,838.02
Grand Total	42,695.33	1,260.78	448.33	44,404.44

NOTE 10: (Contd.)
(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	0.15	-	-	0.15
Medium_Risk	3,437.07	-	143.05	3,580.12
Low_Risk	26,854.52	925.32	5.85	27,785.69
Grand Total	30,291.74	925.32	148.90	31,365.96

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.43	11.43
Medium_Risk	291.65	-	2,177.24	2,468.89
Low_Risk	-	-	5.61	5.61
Grand Total	291.65	-	2,194.28	2,485.93

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	163.92	-	-	163.92
Medium_Risk	73.54	1.51	17.68	92.73
Low_Risk	-	-	-	-
Grand Total	237.46	1.51	17.68	256.65

NOTE: 10 (a)(2)
(i) Government - Housing

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Housing lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	39,377.13	5,930.22	402.57	45,709.92
High grade	-	-	-	-
New assets originated or purchased	1,269.54	-	-	1,269.54
Assets derecognised or repaid (excluding write offs)	1,798.42	761.79	14.81	2,575.02
Transfers from Stage 1	3,847.08	(3,847.08)	-	-
Transfers from Stage 2	-	(60.57)	60.57	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2022	42,695.33	1,260.78	448.33	44,404.44
High grade	-	-	-	-
New assets originated or purchased	1,829.45	-	-	1,829.45

NOTE 10: (Contd.)

Particulars	Stage 1	Stage 2	Stage 3	Total
Assets derecognised or repaid (excluding write offs)	2,487.99	308.75	31.34	2,828.08
Transfers from Stage 1	(2,411.57)	2,411.57	-	-
Transfers from Stage 2	-	(64.83)	64.83	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	0.15	0.15
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	39,625.22	3,298.77	481.67	43,405.66

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2021	3.78	13.28	156.81	173.87
High grade	-	-	-	-
New assets originated or purchased	0.01	-	-	0.01
Assets derecognised or repaid(excluding write offs)	0.17	2.08	8.21	10.46
Transfers from Stage 1	0.36	(4.71)	-	(4.35)
Transfers from Stage 2	-	(0.03)	18.78	18.75
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2022	3.98	6.46	167.38	177.82
ECL allowance as at 31st March, 2022	3.98	6.46	167.38	177.82
High grade	-	-	-	-
New assets originated or purchased	0.29	-	-	0.29
Assets derecognised or repaid(excluding write offs)	0.23	2.63	6.91	9.77
Transfers from Stage 1	(0.23)	2.48	-	2.25
Transfers from Stage 2	-	(3.24)	20.75	17.51
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	0.15	0.15
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2023	3.81	3.07	181.07	187.95

NOTE 10: (Contd.)
(ii) Government - Urban Infrastructure

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Urban lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	26,183.58	980.09	148.90	27,312.57
High grade	-	-	-	-
New assets originated or purchased	7,607.40	-	-	7,607.40
Assets derecognised or repaid(excluding write offs)	3,481.03	72.98	-	3,554.01
Transfers from Stage 1	(18.21)	18.21	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2022	30,291.74	925.32	148.90	31,365.96
Gross carrying amount as at 31st March, 2022	30,291.74	925.32	148.90	31,365.96
High grade	-	-	-	-
New assets originated or purchased	6,627.91	-	-	6,627.91
Assets derecognised or repaid(excluding write offs)	3,230.40	55.88	-	3,286.28
Transfers from Stage 1	(910.76)	910.76	-	-
Transfers from Stage 2	24.82	(24.82)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	32,803.31	1,755.38	148.90	34,707.59

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2021	2.83	47.88	57.34	108.05
High grade	-	-	-	-
New assets originated or purchased	0.92	-	1.43	2.35
Assets derecognised or repaid(excluding write offs)	0.38	3.04	-	3.42
Transfers from Stage 1	-	0.02	-	0.02
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-

NOTE 10: (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2022	3.37	44.86	58.77	107.00
High grade	-	-	-	-
New assets originated or purchased	0.74	-	-	0.74
Assets derecognised or repaid(excluding write offs)	0.36	2.61	-	2.97
Transfers from Stage 1	(0.10)	1.40	-	1.30
Transfers from Stage 2	-	(0.03)	-	(0.03)
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2023	3.65	43.62	58.77	106.04

(iii) Non - Government

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Non - Government lending is, as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	-	-	2,483.78	2,483.78
High grade	-	-	-	-
New assets originated or purchased	-	-	19.01	19.01
Assets derecognised or repaid(excluding write offs)	-	-	16.86	16.86
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	291.65	-	(291.65)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2022	291.65	-	2,194.28	2,485.93
Gross carrying amount as at 31st March, 2022	291.65	-	2,194.28	2,485.93
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	12.14	-	34.84	46.98
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	48.61	48.61
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	279.51	-	2,110.83	2,390.34

NOTE 10: (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2021	-	-	2,452.06	2,452.06
High grade	-	-	-	-
New assets originated or purchased	-	-	34.01	34.01
Assets derecognised or repaid(excluding write offs)	-	-	16.86	16.86
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	22.75	-	(291.65)	(268.90)
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As on 31st March, 2022	22.75	-	2,177.56	2,200.31
ECL allowance as at 31st March, 2022	22.75	-	2,177.56	2,200.31
High grade	-	-	-	-
New assets originated or purchased	-	-	0.19	0.19
Assets derecognised or repaid(excluding write offs)	0.95	-	34.84	35.79
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	48.61	48.61
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	21.80	-	2,094.30	2,116.10

(iv) Retail

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	254.15	7.40	18.76	280.31
High grade	-	-	-	-
New assets originated or purchased	9.50	0.09	-	9.59
Assets derecognised or repaid(excluding write offs)	30.87	1.34	1.04	33.25
Transfers from Stage 1	(1.07)	0.61	0.46	-
Transfers from Stage 2	5.24	(5.29)	0.05	0.00
Transfers from Stage 3	0.51	0.04	(0.55)	-
As at 31st March, 2022	237.46	1.51	17.68	256.65
Gross carrying amount as at 31st March, 2022	237.46	1.51	17.68	256.65
High grade	-	-	-	-

NOTE 10: (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
New assets originated or purchased	8.54	-	-	8.54
Assets derecognised or repaid(excluding write offs)	24.27	0.22	0.98	25.47
Transfers from Stage 1	(0.85)	0.10	0.75	-
Transfers from Stage 2	0.71	(1.28)	0.57	-
Transfers from Stage 3	0.25	-	(0.25)	-
Gross carrying amount as at 31st March, 2023	221.84	0.11	17.77	239.72

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2021	0.22	0.17	18.76	19.15
High Grade	-	-	-	-
New Assets originated or purchased	0.03	-	-	0.03
Assets derecognised or repaid (excluding write offs)	0.05	0.02	1.04	1.11
Transfer from Stage 1	-	0.01	0.46	0.47
Transfer from Stage 2	0.01	(0.12)	0.05	(0.06)
Transfer from Stage 3	-	-	(0.55)	(0.55)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2022	0.21	0.04	17.68	17.93
ECL allowance as at 31st March, 2022	0.21	0.04	17.68	17.93
High Grade	-	-	-	-
New Assets originated or purchased	0.02	-	-	0.02
Assets derecognised or repaid (excluding write offs)	0.06	-	0.98	1.04
Transfer from Stage 1	-	-	0.75	0.75
Transfer from Stage 2	-	(0.04)	0.57	0.53
Transfer from Stage 3	-	-	(0.25)	(0.25)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2023	0.17	0.00	17.77	17.94

NOTE 10: (Contd.)

NOTE: 10(a)(3) Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- The Company's definition and assessment of default and cure.
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default.
- When the Company considers there has been a significant increase in credit risk of an exposure.
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis.
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets.

NOTE: 10(a)(4)(i) Definition of default

The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes 90 days past due on its contractual payments.

NOTE: 10(a)(4)(ii) Probability of default

The 12 month probability of default is calculated using incremental NPA approach.

NOTE: 10(a)(4)(iii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

NOTE: 10(a)(4)(iv) Loss given default

The Company segments its lending products into smaller homogeneous portfolios (Government - Housing, Government - Urban Infrastructure, Non Government and Retail), based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type) as well as borrower characteristics.

NOTE: 10(a)(4)(v) Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

NOTE: 10(a)(4)(vi) Grouping financial assets measured on a collective basis

As explained in Note 4.17, the Company calculates ECLs on collective or individual basis .

The Company calculates ECLs on collective basis on following asset classes:

- Government - Housing
- Government - Urban Infrastructure
- Non Government
- Retail

The Company calculates ECLs on individual basis on all Stage 3 assets of Non Government portfolio.

(₹ in crore)

NOTE 11: (Contd.)

S.No.	PARTICULARS	As at 31 st March, 2023					As at 31 st March, 2022							
		Amortised Cost	At fair value			Total	Amortised Cost	At fair value			Total			
			Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			Subtotal	Other	Total		Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss
(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)	(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)	
(x)	1,99,00,000 equity shares of National Industrial Corridor Development Corporation Limited (Earlier DMIDC)	-	114.43	-	114.43	-	-	116.42	-	-	116.42	-	-	116.42
(xi)	38675278 Equity Shares of R.K.M Powergen Private Limited #	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Associates													
(i)	25,00,000 equity shares of Indbank Housing Limited @	-	-	-	-	2.50	-	-	-	-	-	2.50	-	2.50
(ii)	1,30,000 equity shares of Pragati Social Infrastructure & Development Ltd.	-	-	-	-	0.13	-	-	-	-	-	0.13	-	0.13
(iii)	20,00,000 equity shares of Shristi Urban Infrastructure Development Ltd.	-	-	-	-	2.00	-	-	-	-	-	2.00	-	2.00
(iv)	13,000 equity shares of Signa Infrastructure India Ltd.	-	-	-	-	0.01	-	-	-	-	-	0.01	-	0.01
	Total gross (A)	367.68	262.16	-	262.16	4.64	2.77	254.41	-	254.41	254.41	4.64	-	261.82
B														
(i)	Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
(ii)	Investments in India	367.68	262.16	-	262.16	4.64	2.77	254.41	-	254.41	254.41	4.64	-	261.82
	Total gross (B)	367.68	262.16	-	262.16	4.64	2.77	254.41	-	254.41	254.41	4.64	-	261.82
C														
	Total (A) to tally with (B)	367.68	262.16	-	262.16	4.64	2.77	254.41	-	254.41	254.41	4.64	-	261.82
	Less: Allowance for Impairment loss (C)													
(i)	Equity Instruments @	-	0.47	-	0.47	-	-	0.47	-	-	0.47	-	-	0.47
(ii)	Associate	-	-	-	-	2.64	-	-	-	-	-	2.64	-	2.64
D	Total Net D = (A) - (C)	367.68	261.69	-	261.69	2.00	2.77	253.94	-	253.94	253.94	2.00	-	258.71

* IIFCL Mutual Fund Infrastructure Debt Fund Series - I of IAMCL is 10 year close ended scheme launched in 2013-14.
 ** Included Treasury Bills ₹3.21 Crore (Previous Year ₹2.77 Crore) maintained as per the requirement of Section 29 B of National Housing Bank Act, 1987.
 *** Share Certificates sent for correction but not received back. HUDCO has filed complaint against the company with Registrar of Companies, Andhra Pradesh on 02.07.1998
 @ The fair value of these investments are ₹1. The investments and impairment thereon have been shown at Gross Value.
 # These investment have been booked at ₹1 as per the MDRA executed between the consortium of lenders
 + Includes High Quality Liquid Assets (HQLAs) of ₹ 359.07 crore (previous year Nil) maintained as per RBI Directions.
 % CIAL has come out with right issue in March 2023 and HUDCO has been allotted 36,09,547 shares for ₹18.05 Crore in May 2023

NOTE 12: OTHER FINANCIAL ASSETS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Advances		
(i)	Advance against Investment in Shares (Refer Note No.40.10)	19.64	-
(ii)	Deposit for Services	0.53	0.67
	Sub-total (A)	20.17	0.67
B	RECOVERABLES		
(i)	Recoverable from Andrewsganj Project (AGP) *	559.10	507.01
(ii)	Advances for works	0.08	0.09
(iii)	Amount recoverable for Income Tax Department	7.85	7.85
(iv)	Amount receivable on Redemption of Investment	-	-
(v)	Work-in-progress		
	-Andrewsganj Project	-	19.34
	Sub-total (B)	567.03	534.29
	Total (A+B)	587.20	534.96

* Includes ₹13.97 crore relating to Andrewsganj Project (Refer S. No. 3 of Note 40- Explanatory Note), transferred from "Advances for Works" in current financial year 2022-23 and accordingly regrouped in previous year 2021-22

NOTE 13: : CURRENT TAX ASSETS/(LIABILITIES)

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
(i)	Advance Income Tax (Including TDS)	421.04	411.99
(ii)	Less: Provision for Income Tax	435.60	419.50
	Current Tax Assets/(Liabilities)	(14.56)	(7.51)



Road restoration and repair works Udaipur, Rajasthan.

NOTE 14A: INVESTMENT PROPERTY

S.No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK					
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		At cost or fair value at the end of the year as at 31 st March, 2022	Addition during the year	Accumulated Depreciation and impairment as at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		Accumulated Depreciation and impairment as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2021					
				Addition	Deduction					Addition	Deduction								
(i)	Building (Freehold)	8.08	-	0.73	2.09	6.72	-	1.17	-	7.89	0.12	0.49	1.68	4.45	0.96	-	5.52	2.37	2.27
(ii)	Building (Leasehold)	35.11	-	0.20	-	35.31	-	6.51	3.46	38.36	0.65	0.13	-	21.64	1.28	2.25	21.29	17.07	13.67
(iii)	Flat (Freehold)	6.26	-	-	-	6.26	-	-	2.64	3.62	0.08	-	-	4.78	-	2.04	2.81	0.81	1.48
(iv)	Flat (Leasehold)	0.79	-	0.02	-	0.81	-	-	-	0.81	0.01	0.03	-	0.58	-	-	0.59	0.22	0.23
	Total	50.24	-	0.95	2.09	49.10	-	7.68	6.10	50.68	0.86	0.65	1.68	31.45	2.24	4.29	30.21	20.47	17.65

The Company's investment properties consist of building and flats situated in India. The management has determined that the investment properties consist of office and residences based on the nature, characteristics and risk of each property. As at 31st March 2023, the fair values of the properties are ₹917.90 crore (Previous year ₹ 770.70 crore). These valuations are based on valuations performed by the independent valuer. The rental income from investment property during 2022-23 is ₹ 54.18 crore. (Previous year ₹ 49.04 crore).

The Company has no restrictions on the realisation of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. Fair value hierarchy disclosures for investment properties have been provided in Note 36.3 of Notes to accounts.

S. No.	Investment properties	As at 31 st March, 2023			As at 31 st March 2022		
		Valuation technique	Range (weighted average)	Fair Value (₹ in crore)	Valuation technique	Range (weighted average)	Fair Value (₹ in crore)
1	Jaipur (Jyoti Nagar, Lal Kothi)	Market Approach	-	4.73	Income Approach	8.00%	7.12
2	Chennai(CMDA Tower)	Income Approach	8.00%	46.27	Income Approach	8.00%	43.85
3	Bhopal(Parayavas Bhavan)	Market Approach	-	5.28	Composite Rate Method	-	13.93
4	Mumbai(Shreyas Chambers)	Income Approach	6.00%	17.36	Market Approach	-	24.90
5	Bhubaneshwar(Deendayal Bhawan)	Market Approach	-	6.56	Composite Rate Method	-	6.84
6	Jammu(Hudco Bhawan, Rail Head Complex) **	Market Approach	-	10.00	Income Approach	9.00%	10.61
7	Ahmedabad(Hudco Bhawan, Navrangpura)	Market Approach	-	22.15	-	-	-
8	Ahmedabad(Trupti Apartments)	Market Approach	-	1.56	Market Approach	-	1.50
9	Mumbai (Oshiwara Flats)	Market Approach	-	6.40	Market Approach	-	5.64
10	Bhikaji Cama Place, Delhi	Market Approach	-	797.59	Income Approach	6.00%	656.31
	Total			917.90			770.70

NOTE 14B: PROPERTY, PLANT AND EQUIPMENT

S. No.	ITEMS	GROSS BLOCK						DEPRECIATION/ AMORTISATION						NET BLOCK	
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		At cost or fair value at the end of the year as at 31 st March, 2022	Addition during the year	Accumulated Depreciation and impairment as at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		Accumulated Depreciation and impairment as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2021	Net carrying amount as at the end of the year as at 31 st March, 2022	
				Addition	Deduction					Addition	Deduction				
A	TANGIBLE														
(i)	Land (Freehold)@	5.93	-	-	5.93	-	-	-	-	0.00	-	-	5.93		
(ii)	Land (Leasehold)* #@	9.80	-	-	9.80	2.60	0.11	0.01	0.11	2.72	0.11	0.01	6.96		
(iii)	Building (Freehold)@	6.54	2.09	0.70	7.93	3.82	0.14	1.68	0.13	5.18	0.13	0.98	2.38		
(iv)	Building (Leasehold) #@	69.04	0.15	0.20	68.99	32.98	1.81	0.11	0.13	34.77	1.72	2.35	29.01		
(v)	Flat (Freehold) #@	6.56	0.07	0.17	6.46	4.36	0.11	0.04	0.10	4.37	0.10	2.04	2.09		
(vi)	Flat (Leasehold) #@	5.52	-	0.09	5.43	3.35	0.10	-	0.06	3.39	0.10	-	1.94		
(vii)	Air conditioner & Cooler	2.57	-	0.02	2.55	2.15	0.09	0.26	0.09	2.23	0.07	-	0.25		
(viii)	Office Equipments	26.40	17.98	-	40.69	22.55	3.85	1.55	3.85	22.83	7.31	1.47	11.25		
(ix)	Furniture & Fixtures	6.59	0.07	0.22	6.44	5.23	0.32	0.15	0.21	5.34	0.25	0.14	5.45		
(x)	Vehicle	2.15	0.56	0.15	2.56	1.47	0.24	0.24	0.15	1.56	0.30	0.23	1.63		
(xi)	Library Books	1.03	0.01	-	1.04	1.03	0.01	-	1.04	1.04	0.02	-	1.06		
(xii)	Miscellaneous Assets	3.97	0.03	-	4.00	3.97	0.03	0.03	-	4.00	0.02	-	3.99		
	Total A	146.10	18.65	2.31	161.82	83.51	6.81	1.84	4.73	87.43	10.13	4.40	61.92		
	Less : Grants														
(i)	Building	-	-	-	-	-	-	-	-	-	-	-	-		
(ii)	Air Conditioner	-	-	-	-	-	-	-	-	-	-	-	-		
(iii)	Office Equipment	0.07	-	-	0.07	0.06	-	-	-	0.06	0.01	-	0.07		
(iv)	Furniture & Fixture	-	-	-	-	-	-	-	-	-	-	-	-		
(v)	Vehicle	-	-	-	-	-	-	-	-	-	-	-	-		
(vi)	Library Books	-	-	-	-	-	-	-	-	-	-	-	-		
(vii)	Miscellaneous Assets	0.01	-	-	0.01	0.01	-	-	-	0.01	-	-	0.01		
	Total B	0.08	-	-	0.08	0.07	-	-	-	0.07	0.01	-	0.08		
	Total A-B	146.02	18.65	2.31	161.74	83.44	6.81	1.84	4.73	87.36	10.12	4.40	61.92		

* Includes land of ₹ 0.37 crore on perpetual lease (Previous year ₹ 0.37 crore) hence no depreciation has been provided.
 # The lease (sub-lease)/ conveyance deeds in respect of certain properties (Land, Building and Flat) of the value of ₹ 37.23 crore (Area 16366.19 Sq. Mt.) (previous year ₹ 40.50 crore) are yet to be executed.
 @ Title deed of the Immovable Properties are held in name of the Company.

NOTE 14C: CAPITAL WORK-IN-PROGRESS

S.No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK	
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		At cost or fair value at the end of the year as at 31 st March, 2022	Accumulated Depreciation and impairment as at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		Accumulated Depreciation and impairment as at the end of the year as at 31 st March, 2022	Net carrying amount at the end of the year as at 31 st March, 2022	Net carrying amount at the end of the year as at 31 st March, 2023		
				Addition	Deduction				Addition	Deduction					
	Capital Work in progress	17.49	-	-	0.23	17.26	0.22	-	-	-	-	17.48	17.26		
	Total	17.49	-	-	0.23	17.26	0.22	-	-	-	-	17.48	17.26		

(A) CAPITAL WORK IN PROGRESS AGEING SCHEDULE

S.No.	PROJECT NAME	As at 31 st March, 2022						As at 31 st March, 2023					
		AMOUNT IN CWIP FOR A PERIOD OF			TOTAL			AMOUNT IN CWIP FOR A PERIOD OF			TOTAL		
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years	Less than 1 year	1-2 years	2-3 years	More than 3 years
	PROJECT IN PROGRESS												
1	Calcutta salt lake building	-	-	-	2.82	2.82	-	-	-	-	-	2.82	2.82
2	Chandigarh-HUDA extension fee for plot at panchkula	-	-	-	0.01	0.01	-	-	-	-	-	0.01	0.01
3	Jaipur Building	-	-	-	4.35	4.35	-	-	-	-	-	4.35	4.35
4	Noida Plot	-	-	-	10.08	10.08	-	-	-	-	-	10.08	10.08
5	Vaishali Plot	-	-	-	-	-	-	-	0.22	-	-	-	0.22
	Total	-	-	-	17.26	17.26	-	-	0.22	-	-	17.26	17.48

(B) CAPITAL WORK IN PROGRESS WHOSE COMPLETION IS OVERDUE OR HAS EXCEEDED ITS COST COMPARED TO ITS ORIGINAL PLAN

(₹ in crore)

S.No.	PROJECT NAME*	As at 31 st March, 2022				As at 31 st March, 2023				TOTAL
		TO BE COMPLETED IN		TOTAL	TO BE COMPLETED IN		TOTAL			
		Less than 1 year	1-2 years		2-3 years	More than 3 years		Less than 1 year	1-2 years	
1	Calcutta salt lake building	-	-	-	2.82	2.82	-	-	-	2.82
2	Jaipur Building	-	-	-	4.35	4.35	-	-	-	4.35
3	Noida Plot	-	-	-	10.08	10.08	-	-	-	10.08
4	Vaishali Plot	-	-	-	-	-	-	-	-	0.22
5	Chandigarh-HUDA extension fee for plot at panchkula	-	-	-	-	-	-	-	-	0.01
	Total	-	-	-	17.25	17.25	-	-	-	17.48

*The above mentioned projects have exceeded the estimated timeline as per the original plan.

NOTE 14D: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

S.No.	ITEMS	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK		
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments	At cost or fair value at the end of the year as at 31 st March, 2022	Addition during the year	Adjustments	Accumulated Depreciation and Impairment as at the end of the period as at 31 st March, 2022	Addition during the year	Adjustments	Accumulated Depreciation and Impairment as at the end of the period as at 31 st March, 2023	Net carrying amount as at the end of the year as at 31 st March, 2022
	ERP Project	21.15	4.95	-	17.96	0.33	6.46	-	-	-	2.01	8.14
	Total	21.15	4.95	-	17.96	0.33	6.46	-	-	-	2.01	8.14

(A) INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

S. No.	PROJECT NAME	As at 31 st March, 2022				As at 31 st March, 2023				TOTAL
		AMOUNT IN CWIP FOR A PERIOD OF				AMOUNT IN CWIP FOR A PERIOD OF				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL	Less than 1 year	1-2 years	2-3 years	
	PROJECT IN PROGRESS									
1	ERP Project	2.73	2.48	1.01	1.92	8.14	0.33	-	1.68	2.01
	Total	2.73	2.48	1.01	1.92	8.14	0.33	-	1.68	2.01

(B) INTANGIBLE ASSETS UNDER DEVELOPMENT WHOSE COMPLETION IS OVERDUE OR HAS EXCEEDED ITS COST COMPARED TO ITS ORIGINAL PLAN

S.No.	PROJECT NAME*	As at 31 st March, 2022				As at 31 st March, 2023				TOTAL
		TO BE COMPLETED IN				TO BE COMPLETED IN				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL	Less than 1 year	1-2 years	2-3 years	
1	ERP Project	8.14	-	-	-	8.14	2.01	-	-	2.01
	Total	8.14	-	-	-	8.14	2.01	-	-	2.01

* The above mentioned project has exceeded the estimated timeline as per the original plan.

NOTE 14E: OTHER INTANGIBLE ASSETS

S.No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK			
		At cost or fair value at the end of the year as at 31 st March, 2022		Additions during the year		Adjustments		At cost or fair value at the end of the year as at 31 st March, 2023		Accumulated Depreciation and impairment as at the end of the year as at 31 st March, 2022		Adjustments		Accumulated Depreciation and impairment as at the end of the year as at 31 st March, 2023		Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2023
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Deduction	At cost or fair value at the end of the year as at 31 st March, 2023	Addition during the year	Deduction	At cost or fair value at the end of the year as at 31 st March, 2023	Accumulated Depreciation and impairment as at the end of the year as at 31 st March, 2022	Addition during the year	Deduction	Accumulated Depreciation and impairment as at the end of the year as at 31 st March, 2023	Addition	Deduction	Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2023	
	INTANGIBLE																
(i)	Software	2.51	0.03	0.00	1.49	1.05	0.04	0.00	0.05	1.04	0.00	0.17	0.00	0.88	0.08	0.05	0.13
(ii)	ERP Project	0.00	0.97	-	-	0.97	6.63	-	0.00	7.60	-	-	0.05	0.20	-	0.00	7.35
	Total	2.51	1.00	-	1.49	2.02	6.67	-	2.20	8.64	0.22	1.49	0.93	0.28	0.05	1.16	7.48

NOTE 15: OTHER NON FINANCIAL ASSETS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Advances		
(a)	Advance against Capital purchases	0.80	0.62
(b)	Advance against CSR Expenditure	1.81	3.66
(c)	Prepaid Expenses	2.70	1.75
(d)	Unamortized Deposit for Services	0.03	0.04
B	Other loans and advances		
(a)	Advances to Employees	15.70	17.36
(b)	Gratuity (Funded)	0.38	1.07
(c)	Income Tax payment under litigation	301.70	301.70
(d)	Service Tax payment under litigation	2.63	2.63
(e)	Less : Provision on Service tax	2.49	2.49
		0.14	0.14
(f)	Advance recoverable from others	16.08	17.90
(g)	Less : Provision	4.06	4.51
		12.02	13.39
	Total	335.28	339.73

NOTE 16: PAYABLES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Trade Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.05	0.09
	Sub-total (A)	0.05	0.09
B	Other Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises	0.20	0.29
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises *	7.69	9.26
	Sub-total (B)	7.89	9.55
	Total (A + B)	7.94	9.64

* Includes provision for stamp duty for the properties for which lease deed yet to be executed (Reference in foot note to Note 14(B))

TRADE PAYABLE AGEING SCHEDULE

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31st March, 2022					
(i) MSME	0.29	0.00	0.00	0.00	0.29
(ii) Others	3.58	1.28	0.38	4.11	9.35
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March, 2023					
(i) MSME	0.20	0.00	0.00	0.00	0.20
(ii) Others	3.81	0.14	0.06	3.73	7.74
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

NOTE 17 : DEBT SECURITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023				As at 31 st March, 2022			
		Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total
		1	2	3	4	1	2	3	4
(A)	BONDS								
(a)	Secured								
(i)	Tax free bonds [Refer Note 17.1]	13,977.81	-	-	13,977.81	14,989.79	-	-	14,989.79
(ii)	Special priority sector bonds - I [Refer Note 17.1]	-	-	-	-	4.20	-	-	4.20
	Sub-total A (a) {(i) + (ii)}	13,977.81			13,977.81	14,993.99			14,993.99
(b)	Unsecured								
(i)	HUDCO Bonds - Non Cumulative redeemable at par [Refer Note 17.1]	14,214.28	-	-	14,214.28	19,446.92	-	-	19,446.92
(ii)	Special priority sector bonds - II [Refer Note 17.1]	-	-	-	-	9.27	-	-	9.27
(iii)	GOI Bonds [Refer Note 17.1]	20,000.00	-	-	20,000.00	20,000.00	-	-	20,000.00
	Sub-total A (b) {(i) + (ii) + (iii)}	34,214.28			34,214.28	39,456.19			39,456.19
	Total A((a) + (b))	48,192.09			48,192.09	54,450.18			54,450.18
(B)	Debt securities in India	48,192.09	-	-	48,192.09	54,450.18	-	-	54,450.18
	Debt securities outside India	-	-	-	-	-	-	-	-
	Total B	48,192.09			48,192.09	54,450.18			54,450.18
	Total (B) to tally with (A)	48,192.09			48,192.09	54,450.18			54,450.18

Note: The company has only "Amortized cost category" to present this schedule.

NOTE 17:(Contd.)**Details of Debt Securities**

S.No.	PARTICULARS	Date of Allotment	Date of Redemption	As at 31 st March, 2023	As at 31 st March, 2022
A	BONDS				
(a)	SECURED				
(i)	TAX FREE BONDS				
	8.71% Tax free bonds 2013 (Tranche - III) Series - 3A *	24.03.2014	24.03.2034	8.76	8.76
	8.96% Tax free bonds 2013 (Tranche - III) Series - 3B *	24.03.2014	24.03.2034	41.54	41.54
	8.76% Tax free bonds 2013 (Tranche - II) Series - 3A *	13.01.2014	13.01.2034	286.54	286.54
	9.01% Tax free bonds 2013 (Tranche - II) Series - 3B *	13.01.2014	13.01.2034	671.16	671.16
	8.49% Tax free bonds 2013 (Tranche - I) Series - 3A *	25.10.2013	25.10.2033	35.51	35.51
	8.74% Tax free bonds 2013 (Tranche - I) Series - 3B *	25.10.2013	25.10.2033	88.85	88.85
	7.39% Tax free bonds 2015 (Tranche - II) Series - 2A ***	15.03.2016	15.03.2031	1,024.94	1,024.94
	7.69% Tax free bonds 2015 (Tranche - II) Series - 2B ***	15.03.2016	15.03.2031	610.05	610.05
	7.39% Tax free bonds 2015 (D) ***	22.02.2016	22.02.2031	211.50	211.50
	7.39% Tax free bonds 2015 (Tranche - I) Series - 2A ***	08.02.2016	08.02.2031	909.69	909.69
	7.64% Tax free bonds 2015 (Tranche - I) Series - 2B ***	08.02.2016	08.02.2031	556.15	556.15
	8.73% Tax free bonds 2013 (Tranche - III) Series - 2A *	24.03.2014	24.03.2029	28.47	28.47
	8.98% Tax free bonds 2013 (Tranche - III) Series - 2B *	24.03.2014	24.03.2029	128.42	128.42
	8.58% Tax free bonds 2013 (Tranche - II) Series - 2A *	13.01.2014	13.01.2029	127.39	127.39
	8.83% Tax free bonds 2013 (Tranche - II) Series - 2B *	13.01.2014	13.01.2029	123.75	123.75
	8.51% Tax free bonds 2013 (Tranche - I) Series - 2A *	25.10.2013	25.10.2028	799.27	799.27
	8.76% Tax free bonds 2013 (Tranche - I) Series - 2B *	25.10.2013	25.10.2028	815.00	815.00
	8.56% Tax free bonds 2013 Series - 1 *	02.09.2013	02.09.2028	190.80	190.80
	7.19% Tax free bonds 2012 (Tranche - II) Series - 2 *	28.03.2013	28.03.2028	109.39	109.39
	7.51% Tax free bonds 2012 (Tranche - I) Series - 2 *	16.02.2013	16.02.2028	1,274.24	1,274.24
	8.20% Tax free bonds 2011 (Tranche - I) Series - 2 *	05.03.2012	05.03.2027	2,518.30	2,518.30
	8.16% Tax free bonds 2011 (C - II) *	22.12.2011	22.12.2026	47.67	47.67
	7.83% Tax free bonds 2011 (B - II) *	11.11.2011	11.11.2026	66.51	66.51
	7.75% Tax free bonds 2011 (A - II) *	21.10.2011	21.10.2026	10.81	10.81
	7.04% Tax free bonds 2015 (Tranche - II) Series - 1A ***	15.03.2016	15.03.2026	48.16	48.16
	7.29% Tax free bonds 2015 (Tranche - II) Series - 1B ***	15.03.2016	15.03.2026	105.35	105.35

NOTE 17: (Contd.)

S.No.	PARTICULARS			As at 31 st March, 2023	As at 31 st March, 2022
	7.02% Tax free bonds 2015 (Tranche - I) Series - 1A ***	08.02.2016	08.02.2026	117.21	117.21
	7.27% Tax free bonds 2015 (Tranche - I) Series - 1B ***	08.02.2016	08.02.2026	128.45	128.45
	7.00% Tax free bonds 2015 (C) **	09.10.2015	09.10.2025	108.50	108.50
	7.07% Tax free bonds 2015 (B) **	01.10.2015	01.10.2025	1,029.00	1,029.00
	7.19% Tax free bonds 2015 (A) **	31.07.2015	31.07.2025	151.00	151.00
	8.29% Tax free bonds 2013 (Tranche - III) Series - 1A *	24.03.2014	24.03.2024	18.37	18.37
	8.54% Tax free bonds 2013 (Tranche - III) Series - 1B *	24.03.2014	24.03.2024	47.36	47.36
	8.51% Tax free bonds 2013 (Tranche - II) Series - 1A *	13.01.2014	13.01.2024	504.93	504.93
	8.76% Tax free bonds 2013 (Tranche - II) Series - 1B *	13.01.2014	13.01.2024	439.63	439.63
	8.14% Tax free bonds 2013 (Tranche - I) Series - 1A *	25.10.2013	25.10.2023	269.58	269.58
	8.39% Tax free bonds 2013 (Tranche - I) Series - 1B *	25.10.2013	25.10.2023	361.79	361.79
	7.03% Tax free bonds 2012 (Tranche - II) Series - 1 *	28.03.2013	28.03.2023	-	97.62
	(repaid on 28.03.2023)				
	7.34% Tax free bonds 2012 (Tranche - I) Series - 1 *	16.02.2013	16.02.2023	-	920.10
	(repaid on 16.02.2023)				
	Unamortised fees, charges & Other Expenses			14,014.04	15,031.76
				(36.23)	(41.97)
	Total A (a) (i)			13,977.81	14,989.79
(ii)	SPECIAL PRIORITY SECTOR BONDS - I	Date of Allotment	Date of Redemption		
	SPS Bond series C (Bank of India) (repaid on 10.06.2022)	31.03.1998	10.06.2022	-	4.20
	Total A (a) (ii)			-	4.20
	Total A (a) {(i)+(ii)}			13,977.81	14,993.99
*	The bonds are secured by a floating first pari-passu charge on the present & future receivables of the company to the extent of amount mobilised under the issue. However, the company reserves the right to create first pari-passu charge on the present and future receivable for its present and future financial requirements.				
**	The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of amount mobilised under the issue. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.				
***	The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of the amount mobilised under the issue and interest thereon. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.				

NOTE 17:(Contd.)

S.No.	PARTICULARS	Date of Allotment	Date of redemption	As at 31 st March, 2023	As at 31 st March, 2022
(b)	UNSECURED BONDS				
(i)	HUDCO Bonds- Non Cumulative redeemable at par				
	7.52% Taxable (B) 2022	19.12.2022	15.04.2033	470.00	-
	6.75% Taxable (D) 2020	29.05.2020	29.05.2030	1,040.00	1,040.00
	7.68% Taxable (C) 2022	16.02.2023	16.05.2026	2,000.00	-
	7.54% Taxable (A) 2022	11.11.2022	11.02.2026	1,500.00	-
	5.62% Taxable (B) 2021	25.03.2022	25.05.2025	1,500.00	1,500.00
	5.35% Taxable (E) 2020	04.08.2020	11.04.2025	800.00	800.00
	5.59% Taxable (A) 2021	22.02.2022	04.03.2025	1,000.00	1,000.00
	4.78% Taxable (F) 2020	28.12.2020	28.02.2024	940.00	940.00
	5.95% Taxable (C) 2020	12.05.2020	11.08.2023	1,470.00	1,470.00
	6.09% Taxable (B) 2020	24.04.2020	24.06.2023	1,500.00	1,500.00
	6.65% Taxable (A) 2020	15.04.2020	15.06.2023	600.00	600.00
	6.79% Taxable (F) 2019	17.01.2020	14.04.2023	1,400.00	1,400.00
	6.99% Taxable (E) 2019 (repaid on 11.11.2022)	11.09.2019	11.11.2022	-	1,370.00
	7.05% Taxable (D) 2019 (repaid on 13.10.2022)	13.08.2019	13.10.2022	-	1,190.00
	7.34% Taxable (C) 2019 (repaid on 16.09.2022)	18.07.2019	16.09.2022	-	1,250.00
	7.62% Taxable (B) 2019 (repaid on 15.07.2022)	20.06.2019	15.07.2022	-	1,000.00
	8.34% Taxable (E) 2018 (repaid on 11.07.2022)	11.01.2019	11.07.2022	-	1,000.00
	7.61% Taxable (A) 2019 (repaid on 22.06.2022)	07.06.2019	22.06.2022	-	1,485.00
	8.23% Taxable (D) 2018 (repaid on 13.04.2022)	28.12.2018	15.04.2022	-	930.00
	8.40% Taxable (C) 2018 (repaid on 11.04.2022)	11.12.2018	11.04.2022	-	980.00
	Sub-Total A (b) (i)			14,220.00	19,455.00

NOTE 17: (Contd.)

S.No.	PARTICULARS			As at 31 st March, 2023	As at 31 st March, 2022
	Unamortised fees, charges & Other Expenses			(5.72)	(8.08)
	Total A (b) (i)			14,214.28	19,446.92
	Special Priority Sector Bonds - II		Date of redemption		
	SPS Bonds - II (Exim Bank) (repaid on 15.06.2022)	06.12.1999	15.06.2022	-	9.27
	Total A (b) (ii)			-	9.27
(iii)	PMAY (U) GOI Fully Serviced Bonds #	Date of Allotment	Date of redemption		
	8.37% Taxable (VI) 2018 @	25.03.2019	25.03.2029	5,000.00	5,000.00
	8.41% Taxable (V) 2018 @	15.03.2019	15.03.2029	5,320.00	5,320.00
	8.58% Taxable (IV) 2018 @	14.02.2019	14.02.2029	2,563.10	2,563.10
	8.38% Taxable (III) 2018 @	30.01.2019	30.01.2029	2,066.90	2,066.90
	8.52% Taxable (II) 2018 @	28.11.2018	28.11.2028	2,050.00	2,050.00
	8.60% Taxable (I) 2018 @	12.11.2018	12.11.2028	3,000.00	3,000.00
	Sub-Total A (b) (iii)			20,000.00	20,000.00
	Unamortised fees, charges & Other Expenses			-	-
	Total A (b) (iii)			20,000.00	20,000.00
	Total A (b) { (i) + (ii) + (iii) }			34,214.28	39,456.19
	@ Interest payable on semi-annual basis. #Repayment of Principal & Interest payment in respect of Loans of ₹20,000 crore extended to BMTPC, raised by issue of "Government of India fully serviced Bonds" shall be met by Government of India by making suitable provisions in the budget of Ministry of Housing and Urban Affairs.				

NOTE 18: BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023				As at 31 st March, 2022			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Term loans								
I	Secured								
(a)	From Banks (Refer Note 18.1)	-	-	-	-	6.36	-	-	6.36
(b)	From other parties								
(i)	National Housing Bank (Refer Note 18.1 and 18.5)	777.14	-	-	777.14	1,024.92	-	-	1,024.92
	Total Secured Loan A-I	777.14	-	-	777.14	1,031.28	-	-	1,031.28
II	Unsecured								
(a)	From Banks (Refer Note 18.1 and 18.2)								
(i)	Mid-Term/ Long Term loan(s)	12,088.15	-	-	12,088.15	2,000.00	-	-	2,000.00
(ii)	Short-term loans/ Loans repayable on demand	1,769.50	-	-	1,769.50	2,582.57	-	-	2,582.57
(b)	From Other Parties								
(i)	Loans from Financial Institutions :								
	India Infrastructure Finance Company Ltd. (Refer Note 18.1)	-	-	-	-	1,294.00	-	-	1,294.00
(ii)	Foreign Currency Borrowings from (Refer Note 18.1, 18.3 and 18.4)								
	Asian Development Bank	-	-	-	-	32.80	-	-	32.80
	Japan International Cooperation Agency (JICA) (Formerly Japan Bank for International Corporation (JBIC))	1.52	-	-	1.52	27.18	-	-	27.18
	Loan from US Capital Market :								
	-USAID I	13.99	-	-	13.99	16.48	-	-	16.48
	-USAID-II	60.98	-	-	60.98	64.65	-	-	64.65
	Total Unsecured Loans A-II	13,934.14	-	-	13,934.14	6,017.68	-	-	6,017.68
	Total (A)	14,711.28	-	-	14,711.28	7,048.96	-	-	7,048.96
B	Borrowings in India								
	Borrowings outside India	14,634.79	-	-	14,634.79	6,907.85	-	-	6,907.85
		76.49	-	-	76.49	141.11	-	-	141.11
	Total (B) to tally with (A)	14,711.28	-	-	14,711.28	7,048.96	-	-	7,048.96

Note: The company has only amortised cost category to present this schedule.

NOTE 18.1 : (Contd.)
18.1 Sub-Details of Borrowings

S.No.	Particulars	As at 31.03.2023		As at 31.03.2022		Redemption/ Repayment Details
		Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	
	Term Loans					
I	Secured					
(a)	From Banks					
	Bank of India (Repaid on 10.06.2022)	-	-	6.36	6.36	Repayable in semi-annual instalments from 10.12.2002 to 10.06.2022
	Sub-Total I (a)	-	-	6.36	6.36	
(b)	From other parties					
	National Housing Bank					
	TL-I	384.40	384.40	487.00	487.00	Repayable in quarterly instalments starting from 01.07.2017 and ending on 01.01.2027
	TL-II (Prepaid on 29.07.2022)	-	-	33.86	33.86	Repayable in quarterly instalments starting from 01.10.2017 and ending on 01.04.2027
	TL-III	217.74	217.74	269.06	269.06	Repayable in quarterly instalments starting from 01.01.2018 and ending on 01.07.2027
	TL-IV	175.00	175.00	235.00	235.00	Repayable in quarterly instalments starting from 01.10.2019 and ending on 01.04.2026
	Sub-Total I (b)	777.14	777.14	1,024.92	1,024.92	
	Total Secured Loans (I)(a+b)	777.14	777.14	1,031.28	1,031.28	
II	Unsecured					
(a)	From Banks					
(i)	Mid-Term/ Long Term loan(s)					
1	Punjab National Bank-TL-I (1st Installment of ₹333.33 Crore repaid on due date)	666.66	666.66	1,000.00	1,000.00	Repayable in three equal instalments falling due on 25.03.2023, 25.03.2024 & 25.12.2024

(₹ in crore)

NOTE 18.1 : (Contd.)

S.No.	Particulars	As at 31.03.2023		As at 31.03.2022		Redemption/ Repayment Details
		Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	
2	Punjab National Bank-TL-II	1,000.00	1,000.00	-	-	Repayable in three equal instalments falling due on 18.06.2023, 18.06.2024 & 18.04.2025
3	Punjab National Bank-TL-III	2,000.00	2,000.00	-	-	Repayable in three equal instalments falling due on 16.09.2023, 16.09.2024 & 16.08.2025
4	Punjab National Bank-TL-IV	1,500.00	1,500.00	-	-	Repayable in two instalments falling due on 27.09.2024 & 27.02.2026
5	Union Bank of India-TL	2,000.00	2,000.00	1,000.00	1,000.00	Bullet repayment at the end of tenor i.e., on 28.01.2025
6	Canara Bank-TL-I	1,166.99	1,166.99	-	-	Bullet repayment at the end of tenor i.e., on 22.05.2025
7	Canara Bank-TL-II	333.00	333.00	-	-	Bullet repayment at the end of tenor i.e., on 24.05.2025
8	Karnataka Bank-TL	500.00	500.00	-	-	Bullet repayment at the end of tenor i.e., on 01.10.2024
9	Indian Overseas Bank-TL	1,000.00	1,000.00	-	-	Bullet repayment at the end of tenor i.e., on 26.11.2025
10	South Indian Bank-TL	200.00	200.00	-	-	Bullet repayment at the end of tenor i.e., on 28.11.2025
11	Bank of India-TL-I	500.00	500.00	-	-	Bullet repayment at the end of tenor i.e., on 26.12.2025
12	Bank of India-TL-II	500.00	500.00	-	-	Bullet repayment at the end of tenor i.e., on 27.03.2026
13	Central Bank of India-TL	721.50	721.50	-	-	Bullet repayment at the end of tenor i.e., on 27.05.2025
	Sub- Total II (a) (i)	12,088.15	12,088.15	2,000.00	2,000.00	
(ii)	Short Term loans/ Loans repayable on demand from Banks					
1	State Bank of India	-	-	612.07	612.07	Repaid during FY 2022-23
2	Union Bank of India	-	-	1,000.00	1,000.00	Repaid during FY 2022-23
3	Punjab National Bank	-	-	970.50	970.50	Repaid during FY 2022-23
4	Union Bank of India	1,295.50	1,295.50	-	-	Repayable on or before 28.06.2023
5	Punjab National Bank	474.00	474.00	-	-	Repayable on or before 20.06.2023
	Sub- Total II (a) (ii)	1,769.50	1,769.50	2,582.57	2,582.57	
(b)	From Other Parties					
(i)	Loans from Financial Institutions :					

NOTE 18.1 : (Contd.)

(₹ in crore)

S.No.	Particulars	As at 31.03.2023		As at 31.03.2022		Redemption/ Repayment Details
		Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	
	India Infrastructure Finance Company Ltd. (Repaid on 17.03.2023)	-	-	1,294.00	1,294.00	Bullet Repayment at the end of tenor
	Sub- Total II (b) (i)	-	-	1,294.00	1,294.00	
(ii)	Foreign Currency Borrowings:					
	Asian Development Bank (Guaranteed by Government of India)	-	-	32.42	32.80	Repayable in unequal semi-annual instalment(s) on December 15th and June 15th of every year from 2002 to 2022. Due for repayment by 15.06.2022
	(Currently Outstanding - NIL, , Repaid on 15.06.2022, Previous year - US \$ 4.28 mn)					
	Japan International Cooperation Agency (JICA) (Former Japan Bank for International Corporation (JBIC)) (Guaranteed by Govt. of India)					Repayable in semi-annual instalment(s) on January 20th and July 20th of each year from 2006 to 2023. Due for repayment by 20.07.2023
	Swapped with MUFG	1.53	1.52	-	-	
	(Currently outstanding- JPY 24,678 mn , Previous Year -Nil)					
	Unswapped Portion	-	-	27.86	27.18	
	(Currently outstanding- NIL, Previous Year -JPY 447.604 mn)					
	Loan from US Capital Market (Guaranteed by USAID & Counter Guaranteed by Canara Bank)					
	-USAID-I	14.17	13.99	16.35	16.48	Repayable in 40 equal consecutive semiannual installments commencing on 23.03.2010 and ending on 23.09.2029
	-USAID-II	-	-	-	-	

NOTE 18.1 : (Contd.)

(₹ in crore)

S.No.	Particulars	As at 31.03.2023		As at 31.03.2022		Redemption/ Repayment Details
		Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	
	Swaped with ICICI Bank			3.43	3.79	
	(Currently Outstanding - NIL, swap matured on 14.09.2022, Previous Year - US \$ 0.50 mn)					Repayable in 40 equal consecutive semi-annual instalments commencing on 15.03.2011 and ending on 15.09.2030
	Unswapped Portion	61.66	60.98	60.65	60.86	
	(Currently outstanding - US \$ 7.50 mn, Previous Year - US \$ 8.00 mn)					
	Sub- Total II (b) (ii)	77.36	76.49	140.71	141.11	
	Total Unsecured Loans (II) (a+b)	13,935.01	13,934.14	6,017.28	6,017.68	
	Total Term Loans (I+II)	14,712.15	14,711.28	7,048.56	7,048.96	

18.2 Outstanding Mid-Term/ Long-term loan(s) from Banks as mentioned at 18.1 (II)(a)(i) have been raised at floating interest rates linked to external benchmarks viz. Repo Rate and T-Bill, ranging between 6.87% to 7.69% per annum per month.

18.3 Foreign Currency Borrowings as mentioned at 18.1 (II) (b)(ii) availed from JICA carries fixed interest rate of 2.10% per annum. Further, Loan from US Capital Market carries an interest rate spread ranging from 0.18% to 0.035% per annum over SOFR (Secured Overnight Financing Rate) and Credit Adjustment spread as applicable on transition of loans to new benchmark rates.

18.4 The loan availed from US Capital Market (USAID-I) as mentioned above at 18.1 (II)(b)(ii) had been swapped with Exim Bank and under the swap arrangement with EXIM Bank, HUDCO has remitted US \$ 10 million (Currently outstanding US \$ 3.25 million, Previous year - US \$ 3.75 million) to EXIM Bank, against which EXIM Bank has subscribed to 12.75% HUDCO Special Infrastructure Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 23.09.2020) amounting to ₹ 43.60 crore (Currently outstanding ₹ 14.17 crore, Previous year - ₹ 16.35 crore) which are co-terminus with the loan maturity schedule of the underlying USAID guaranteed loan.

18.5 Loan from National Housing Bank as mentioned at Note 18.1 (I) (b) is secured by Bank guarantee for an amount of ₹ 600 crore (previous year ₹ 600.00 crore) [being 25% of loan amount of ₹ 2,400 crore (previous year ₹ 2,400 crore) sanctioned/dischursed by NHB and repayable upto 01.07.2027] and negative lien on all properties, assets, receivables etc. of HUDCO both present and future, except those on which the first exclusive charge is created in favour of the trustees to the secured tax free bonds of ₹ 5,000 crore mobilised during 2011-12, ₹ 2,401.3526 crore mobilised during 2012-13, ₹ 4,987.12 crore mobilised during 2013-14 and ₹ 5,000 crore mobilised during 2015-16.

NOTE 19: DEPOSITS

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023				As at 31 st March, 2022			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Public Deposits @ 6.75% to 7.80% p.a. [Refer Details of Deposits - (I)]	1.71	-	-	1.71	3.90	-	-	3.90
	TOTAL (A)	1.71	-	-	1.71	3.90	-	-	3.90

Note :The company has only “Amortised cost category” to present this schedule

Details of Deposits

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	PUBLIC DEPOSITS (Current)		
(i)	@ 6.75% p.a. to 7.80% p.a. [Refer Sub Details of Deposits] Repayable with in one year	1.64	2.25
	PUBLIC DEPOSITS (Non-Current)		
(ii)	@ 6.75% p.a. to 7.80% p.a. [Refer Sub Details of Deposits] Repayable after period of one year	0.07	1.65
	TOTAL A	1.71	3.90

Sub Details of Deposits

S.No.	Institution/ Date of drawal	Amount Outstanding in INR ₹ in crore	Redemption Details
A	Public Deposits repayable for more than 12 months		
	- April, 2024 - March, 2025	0.07	Repayable after period of one year
	Sub Total A	0.07	
B	Public Deposits repayable within 12 months		
	- October, 2023 to March, 2024	0.97	Repayable within one year
	- September, 2023	0.16	
	- August, 2023	0.01	
	- July, 2023	0.20	
	- June, 2023	0.15	
	- May, 2023	0.05	
	- April, 2023	0.10	
	Sub Total B	1.64	
	Total Public Deposits *	1.71	

*Ind-AS Adjustments in Total Public Deposits is for ₹ 0.0010 crore. Brokerage has been amortised on SLM basis

NOTE 20: OTHER FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Interest accrued but not due		
(i)	Secured loans	285.90	294.38
(ii)	Unsecured loans	638.74	856.03
	Sub-total (A)	924.64	1,150.41
B	Others		
(i)	Security and other deposits	11.66	10.48
(ii)	Security, Earnest money and other deposits	1.35	1.76
(iii)	Unclaimed liability #		
(a)	- Dividend	1.34	0.86
(b)	- Bonds	3.95	0.26
(c)	- Public Deposits	0.17	0.19
(d)	- Interest accrued and due on Bonds	9.42	10.19
(e)	- Interest accrued and due on Public Deposits	0.03	0.02
(iv)	KfW R & D account	37.29	38.50
(v)	KfW Interest account	9.87	9.87
(vi)	Amount received from KfW	97.55	97.55
(vii)	Grant / Subsidy received from different Ministries/Agencies	8.98	6.71
(viii)	Amt payable to Ministry - BCP	1.32	1.30
(ix)	Amount Payable to Staff	79.63	129.48
(x)	Other Expenses on Borrowings Payable	0.01	0.02
(xi)	Interim Dividend Payable	-	26.19
(xii)	Others Liabilities *	16.54	160.12
	Sub-total (B)	279.11	493.50
	Total (A + B)	1,203.75	1,643.91
*	Includes ₹ 0.03 crore (Previous year ₹ 0.03 crore) on account of Andrews Ganj Project		
#	Liability towards Investors Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013 will be determined on the respective due dates. Dividend on equity shares and Principal & interest on Debentures/ Bonds/ PDS aggregating to ₹ 14.90 crore (Previous Year ₹11.52 crore) were due and unclaimed as on 31 st March, 2023. During the year 2022-23 an amount of ₹ 1.88 crore (previous year ₹0.03 crore) has been transferred to IEPF after completion of statutory period of seven years. (Refer S.No. 17 of Note 40- Explanatory Notes)		

NOTE 21: PROVISION

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Provision for employee benefits		
(i)	Leave encashment	55.53	51.21
(ii)	Post retirement medical benefit	229.01	200.71
(iii)	Welfare expenses	1.77	1.34
(iv)	Gratuity (Funded)	-	-
(v)	Provident Fund (Funded)	(4.33)	38.51
	Sub-total (A)	281.98	291.77
B	Others		
(i)	Provision for CSR	60.54	47.67
	Total (A+B)	342.52	339.44

NOTE 22: DEFERRED TAX LIABILITY

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Deferred Tax Liabilities	1,702.01	1,563.93
B	Deferred Tax Assets	695.89	720.32
	Net Deferred Tax Liabilities (A - B)	1,006.12	843.61

Details of Deferred Tax

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
	Liabilities		
(a)	Derivative Financial Instruments	0.00	0.08
(b)	Investments	25.94	25.56
(c)	Investment Property, Plant and Equipment	4.60	4.35
(d)	Other Non-Financial Assets	2.72	3.11
(e)	Debt Securities	8.55	10.84
(f)	Deposits	0.00	0.00
(g)	Other Financial Liabilities	0.35	0.36
(h)	Other Equity	1,659.63	1,519.63
(i)	Borrowings	0.22	
	Total Deferred Tax Liabilities	1,702.01	1,563.93
	Assets		
(a)	Loans	621.48	641.65
(b)	Receivable	3.14	4.82
(c)	Other Financial Assets	0.01	0.01
(d)	Other Non-Financial Liabilities	0.29	0.31
(e)	Borrowings	0.00	0.10
(f)	Provisions	70.97	73.43
	Total Deferred Tax Assets	695.89	720.32
	Net Deferred Tax Liability	1,006.12	843.61

NOTE 23: OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Amount received in advance	9.24	9.32
B	Other Liabilities	32.49	66.21
C	Revenue received in advance	2.85	2.95
D	Unamortised Deferred Security Deposit	1.16	1.22
E	Finance Lease Liability	-	-
	Total	45.74	79.70

NOTE 24: EQUITY SHARE CAPITAL

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Authorised 2,500,000,000 equity shares of ₹ 10/- each (previous year 2,500,000,000 equity shares of ₹ 10/- each)	2,500.00	2,500.00
B	Issued, Subscribed and Paid up 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash (previous year 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash)	2,001.90	2,001.90
		2,001.90	2,001.90

Note 24 (a) Reconciliation of the number of outstanding equity shares :

The reconciliation of the number of shares outstanding and the amount of the share capital as at the beginning and at the end of the year.

S.No.	PARTICULARS	As at 31 st March, 2023		As at 31 st March, 2022	
		Number of Shares	(₹ in crore)	Number of Shares	(₹ in crore)
(a)	Shares at the beginning of the year	2,001,900,000	2,001.90	2,001,900,000	2,001.90
(b)	Add: Shares issued during the year	-	-	-	-
(c)	Shares at the end of the year (c) = (a+b)	2,001,900,000	2,001.90	2,001,900,000	2,001.90

Note 24 (b) Rights attached to Equity Shares :

The shareholders of the Company are entitled to receive dividend as and when declared by the company and enjoy proportionate voting rights in case any resolution is put to vote. Further, the shareholders have all such rights, as may be available to the shareholders of a listed company, under the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Memorandum of Association and Articles of Association of the Company.

Note 24 (c) Shares in the company held by each shareholder holding more than 5 percent shares:

S.No.	Name of Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
		Number of Shares held	% of Holding	Number of Shares held	% of Holding
1	The President of India through :				
	(a) Ministry of Housing and Urban Affairs	1,222,677,479	61.08	1,222,677,479	61.08
	(b) Ministry of Rural Development	415,000,000	20.73	415,000,000	20.73
	Sub Total 1 (a+b)	1,637,677,479.00	81.81	1,637,677,479.00	81.81
2.	Public Shareholding :				
	(a) Life Insurance Corporation of India	115,745,860	5.78	115,745,860	5.78
	(b) Others	248,476,661	12.41	248,476,661	12.41
	Sub Total 2 (a+b)	36,42,22,521	18.19	36,42,22,521	18.19
	Total (1+2)	2,001,900,000.00	100.00	2,001,900,000.00	100.00

NOTE 24 : (Contd.)
Note 24 (d) Shares in the company held by Promoters:

S. No.	Name of Shareholder	As at 31 st March, 2023		% Change during the year
		Number of shares held	% of Holding	
1	The President of India through :			
	(a) Ministry of Housing and Urban Affairs	122,677,479	61.08	Zero
	(b) Ministry of Rural Development	415,000,000	20.73	Zero
	Total 1 (a+b)	1,637,677,479.00	81.81	Zero

S. No.	Name of Shareholder	As at 31 st March, 2022		% Change during the year
		Number of shares held	% of Holding	
1	The President of India through :			
	(a) Ministry of Housing and Urban Affairs	122,677,479	61.08	Zero
	(b) Ministry of Rural Development	415,000,000	20.73	Zero
	Total 1 (a+b)	1,637,677,479.00	81.81	Zero



Water Treatment Plant at Chengannur Municipality, Kerala

NOTE 25: SCHEDULE OF CHANGE IN EQUITY : OTHER EQUITY

(₹ in crore)

S.No.	Particulars	Reserves and Surplus										Total	
		Securities Premium (Bonds) *		Statutory Reserves				Other Reserves			Retained Earning		
		Debtenture/ Bond Redemption Reserve **	Special Reserve ***	Special Reserve *** u/s 29C	Impairment Reserve#	Capital (KIW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	General Reserve	Surplus			
1	Balance as on 01 st April, 2021	1.26	3,876.87	5,235.19	-	161.81	59.96	72.07	89.00	1,405.08	285.90	11,187.15	
	Final Dividend for the Year 2020-21										(285.27)	(285.27)	
	Profit during FY 2021-22										1,716.60	1,716.60	
	Other Comprehensive Income for the year 2021-22										(1.92)	(1.92)	
	Total Comprehensive Income for the year 2021-22										1,714.68	1,714.68	
	Transferred to from Surplus to General Reserve										-	-	
	Transferred to from Surplus to Impairment Reserve					60.17					(60.17)	-	
	Transferred from Surplus to DRR		331.51								(331.51)	-	
	Transferred from Surplus to Reserve for Bad & Doubtful Debt								120.00		(120.00)	-	
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver										-	-	
	Transferred from Surplus to Special Reserve			500.00							(500.00)	-	
	Transferred to General Reserve		(1,083.20)							1,083.20	-	-	
	Interim Dividend during FY 2021-22										(150.14)	(150.14)	
2	Balance as at 1st April, 2022	1.26	3,125.18	5,735.19	-	221.98	59.96	72.07	209.00	2,488.28	553.49	12,466.42	
	Final Dividend for 2021-22										(550.52)	(550.52)	
	Profit during FY 2022-23										1,701.62	1,701.62	
	Other Comprehensive Income for the year 2022-23										24.74	24.74	
	Total Comprehensive Income for the year 2022-23										1,726.36	1,726.36	
	Transferred to from Surplus to General Reserve										-	-	
	Transferred to from Surplus to Impairment Reserve					67.88					(67.88)	-	
	Transferred from Surplus to DRR		280.63								(280.63)	-	
	Transferred from Surplus to Reserve for Bad & Doubtful Debt								105.00		(105.00)	-	
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver								(48.77)		-	(48.77)	
	Transferred from Surplus to Special Reserve			500.00							(500.00)	-	
	Transferred to General Reserve		(508.86)							508.86	-	-	
	Interim Dividend during FY 2022-23										(150.14)	(150.14)	
3	Balance as at 31st March, 2023	1.26	2,896.95	6,235.19	-	289.86	59.96	72.07	265.23	2,997.14	625.68	13,443.35	

* Securities Premium Account represent the premium received on issue of Tax-Free Bonds through private placement.

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

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

*** Created u/s 36(1) (viii) of the Income Tax Act, 1961 and u/s 29C of NHB Act, 1987 (upto Financial Year 1997-98 onwards) amounting to ₹181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹6053.44 crore.

Refer Point no. 5 of Explanatory Note 40.

NOTE 26: INTEREST INCOME

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023			Year Ended 31 st March, 2022		
		On Financial Assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss	On Financial Assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss
(i)	Interest on Loans	-	6,959.91	-	-	6,870.48	-
	Less: Interest waived off	-	2.88	-	-	0.18	-
	Net Interest on Loan - Sub Total (i)	-	6,957.03	-	-	6,870.30	-
(ii)	Interest Income from Investments	-	14.34	-	-	0.24	-
(iii)	Interest on Deposits with Banks						
	- Scheduled Bank - Indian Branches	-	12.02	-	-	17.12	-
	- Scheduled Bank - Foreign Branches	-	0.03	-	-	0.21	-
	- Financial Institution - EXIM BANK	-	0.02	-	-	0.18	-
	Interest on Deposit and Loan - Sub Total (iii)	-	12.07	-	-	17.51	-
(iv)	Interest on Loan against Public Deposits	-	-	-	-	-	-
(v)	Others - PPE Finance Lease Liability	-	-	-	-	-	-
	Total (i+ii+iii+iv+v)	-	6,983.44	-	-	6,888.05	-

Note: Includes interest income on loan of ₹ 20,000 Crore extended to BMTPC, raised by issue of "GOI fully service bonds" as Central Assistance to State/UTs/CNAs for implementation of PMAY(U).

NOTE 27: NET GAIN/ (LOSS) ON FAIR VALUE CHANGE

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
A	Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
(ii)	On financial instruments designated at fair value through profit or loss		
	- Investments	7.75	12.65
	- Derivatives	(0.29)	(0.34)
	Total A	7.46	12.31
B	Total Net gain/(loss) on fair value changes		
(i)	Fair Value changes:		
	-Realised	-	-
	-Unrealised	7.46	12.31
	Total Net gain/(loss) on fair value changes(B) to tally with (A)	7.46	12.31

Note: Fair value changes in this schedule are other than those arising on account of interest income/expenses.

NOTE 28: OTHER INCOME

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
(i)	Net gain/(loss) on derecognition of property, plant and equipment	-	-
(ii)	Net gain on foreign currency transaction and translation (other than finance cost)	-	0.38
(iii)	Profit on sale of fixed assets (Net)	0.07	-
(iv)	Interest on Staff Advances	3.31	4.18
(v)	Interest on Income tax Refund	-	-
(vi)	Interest on Construction Project	28.51	28.02
(vii)	Overhead Charges on Construction Project	0.05	0.06
(viii)	Management Development Programme	0.47	0.04
(ix)	Miscellaneous Income	4.12	10.84
(x)	Excess Provision of Interest on short Income tax written back	0.19	0.06
	Total	36.72	43.58

NOTE 29: FINANCE COSTS

(₹ in crore)

S. No.	Particulars	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		On financial liabilities measured at fair value through Profit & Loss	On financial liabilities measured at Amortised cost	On financial liabilities measured at Amortised cost	On financial liabilities measured at fair value through Profit & Loss
(i)	Interest on Debt Securities				
	a.) Secured	-	1,194.06	-	1,376.43
	b.) Unsecured	-	2,599.36	-	2,970.00
(ii)	Interest on borrowings (other than Debt Securities)				
	a.) Secured	-	45.61	-	60.94
	b.) Unsecured				
	- Indian	-	659.58	-	119.13
	- Foreign	-	4.33	-	4.52
(iii)	Interest on Deposits	-	0.30	-	1.01
(iv)	Interest on Income Tax	-	0.60	-	0.50
(v)	Net Loss in Foreign Currency Translation and Transaction	-	3.26	-	-
(vi)	Interest on Security Deposit & Deposit for Services	-	(0.02)	-	(0.01)
(vii)	PDS Brokerage	-	-	-	0.01
	Total	-	4,507.08	-	4,532.53

NOTE 30: IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost
(i)	Loans	-	(73.16)	-	(249.55)
(ii)	Investments	-	-	-	-
(iii)	Other Assets	-	(0.53)	-	3.89
(iv)	Principal Waiver / Written Off	-	-	-	-
	Total	-	(73.69)	-	(245.66)

NOTE 31: EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		Directors *	Total	Directors *	Total
(i)	Salaries and wages	0.89	167.76	0.82	193.86
(ii)	Gratuity	-	2.27	-	2.65
(iii)	Contribution to provident and other funds	0.08	4.70	0.07	11.33
(iv)	Staff welfare expenses	0.01	3.29	0.02	1.92
(v)	Insurance	-	0.49	-	0.45
(vi)	Group saving linked Insurance premium	-	0.02	-	0.02
(vii)	Staff Development/Training	-	0.08	-	0.05
(viii)	Administrative Charges - Provident/ Pension Fund	-	0.48	-	0.44
(ix)	HUDCO Pension Fund	-	7.43	-	6.78
(x)	Contribution to Benevolent Fund	-	0.10	-	0.59
	Total	0.98	186.62	0.91	218.09

* Includes provision/payment for directors and included in "TOTAL".

Note: The expenditure of salaries & wages is inclusive of expenditure on EL/HPL paid or payable.

NOTE 32: OTHER EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		Directors	Total	Directors	Total
A	ADMINISTRATIVE				
(i)	Office Rent	-	1.56	-	1.55
(ii)	Repairs & Maintenance to Building	-	11.86	-	12.19
(iii)	Repairs & Maintenance to Other Assets	-	1.45	-	1.14
(iv)	Repairs & Maintenance to Vehicle	-	0.31	-	0.29
(v)	Loss on sale of Investment	-	-	-	-
(vi)	Insurance	-	0.10	-	0.12
(vii)	Rates & Taxes	-	3.16	-	3.25
(viii)	Travelling	0.28	2.73	0.08	1.70
(ix)	Legal & Professional Fee	-	4.35	-	2.69
(x)	Auditors Remuneration :				
(a)	Audit Fees				
	- Current Year	-	0.23	-	0.23
	- Previous Year (Arrears)	-	-	-	-
(b)	Tax Audit Fees	-	-	-	-
	- Current Year	-	0.10	-	0.10
	- Previous Year (Arrears)	-	-	-	-
(c)	Other Services	-	0.21	-	0.18
(d)	Reimbursement of expenses	-	-	-	-
(xi)	Electricity	-	2.09	-	2.48
(xii)	Printing, Stationery & Photocopying	-	0.51	-	0.47
(xiii)	Postage, Telegram, Telephone & Telex	-	1.37	-	1.73
(xiv)	Advertisement, Publicity & Sponsorship	-	2.21	-	1.19
(xv)	Exhibition & Conference (Net)	-	0.10	-	(0.02)
(xvi)	Subscription & Membership	-	0.12	-	0.05
(xvii)	Miscellaneous #	0.17	81.60	0.06	59.34
	Total A	0.45	114.06	0.14	88.68
B	OTHER EXPENSES				
(i)	Grant in Aid/ R & D expenditure	-	0.10	-	0.13
(ii)	Expenses on Consultancy	-	0.16	-	0.53
(iii)	Expenses on Management Development Programme	-	0.27	-	0.01
(iv)	Research and Development Plan	-	0.13	-	0.32
(v)	Waiver of Fee Income	-	3.62	-	-
	Total B	-	4.28	-	0.99
	Total (A+B)	0.45	118.34	0.14	89.67

Includes ₹ 0.16 crore (previous year ₹ 0.05) on account of sitting fee paid to directors.

NOTE 33: Changes in Liabilities arising from Financing Activities

(₹ in crore)

Particulars	1 st April, 2022	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2023
Debt securities	54,450.18	(6,266.19)	0.00	0.00	8.10	48,192.09
Borrowings other than debt Securities	7,048.96	7,659.97	(0.36)	3.63	(0.92)	14,711.28
Deposits	3.90	(2.19)	0.00	0.00	0.00	1.71
Total Liabilities from financing activities	61,503.04	1,391.59	(0.36)	3.63	7.18	62,905.08
Particulars	1 st April, 2021	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2022
Debt securities	58,057.55	(3,617.62)	-	-	10.25	54,450.18
Borrowings other than debt Securities	2,897.64	4,153.03	(0.01)	(0.37)	(1.33)	7,048.96
Deposits	22.77	(18.88)	-	-	0.01	3.90
Total Liabilities from financing activities	60,977.96	516.53	(0.01)	(0.37)	8.93	61,503.04

NOTE 34: Capital
Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are safety and security of share capital and maximize the shareholder wealth.

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator Viz., RBI/NHB. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI/NHB.

Company has complied in full with all its externally imposed capital requirements over the reported period.

Capital to Risk-weighted Assets Ratio

The Company is complying with the Capital Adequacy requirements as prescribed by the National Housing Bank. Being an NBFC - Housing Finance Company (NBFC-HFC), HUDCO is required to maintain a Capital Adequacy Ratio or Capital to Risk Weighted Assets Ratio (CRAR) of 15% (with a minimum Tier I Capital of 10%), computed by dividing company's Tier-I and Tier-II capital by Risk Weighted Assets.

(₹ in crore)

Particulars	Numerator		Denominator		Ratio (%)		% Variance
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	
Capital to risk weighted assets ratio	14772.87	13922.11	20021.39	18739.83	73.79%	74.29%	(0.50%)
Tier I CRAR	14741.92	13890.64	20021.39	18739.83	73.64%	74.12%	(0.48%)
Tier II CRAR	30.95	31.47	20021.39	18739.83	0.15%	0.17%	(0.02%)

Details of Tier II capital and perpetual debt instruments raised during the year are as under:

(₹ in crore)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Amount of Subordinated Debt raised as Tier-II capital	NIL	NIL
Amount raised by issue of Perpetual Debt Instruments	NIL	NIL

NOTE 35: Revenue from the Contractors with customers (Ind AS – 115)

Particulars	2022-23 (₹ in Crore)	2021-22 (₹ in Crore)
Fees and Commission Income	2.66	2.57
Sale of Services-Consultancy, Trusteeship and Consortium	1.66	2.03
Total revenue from contracts with customers	4.32	4.60
Timing of revenue recognition		
Services transferred at a point in time	2.66	2.57
Services transferred over time	1.66	2.03

The company does not have any contract balances as at March 31, 2023 and March 31, 2022.

NOTE 36: Fair Value Measurement

36.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

36.2. Valuation governance

The Company's fair value methodology and the governance over its models include a number of controls and other procedures to ensure enough safeguards and maintain its quality and adequacy. All new product initiatives (including their valuation methodologies) are as per the approved policy of the Company. The ongoing measurement on fair value estimates is reviewed by the appropriate functional department of the Risk management and related finance functions.

36.3. Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

(₹ in Crore)

Particulars	31 st March, 2023				31 st March, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Derivative financial instruments	-	-	-	-	-	-	-	-
- Interest Rate Swaps	-	-	-	-	-	-	-	-
- Currency Swaps	-	-	-	-	-	0.32	-	0.32
- Forward Contract		0.02		0.02	-	-	-	-
Total Derivative financial instruments		0.02		0.02	-	0.32	-	0.32
Financial Assets at fair value through profit or loss								
- Mutual Fund		75.70		75.70	-	73.64	-	73.64
- Equities		0.18	185.81	185.99	-	0.26	180.04	180.30
Total Financial Assets at FVTPL		75.88	185.81	261.69	-	73.90	180.04	253.94
Total Assets measured at fair value		75.90	185.81	261.71	-	74.22	180.04	254.26

Particulars	31 st March, 2023				31 st March, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value								
Derivative Financial Instruments								
- Currency Swaps	-	-	-	-	-	-	-	-
- Interest Rate Swaps	-	-	-	-	-	-	-	-
Total Derivative financial instruments	-	-	-	-	-	-	-	-
Total Financial liabilities measured at fair value	-	-	-	-	-	-	-	-

Assets for which fair value are disclosed

Particulars	31 st March,2023				31 st March,2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment Property (Refer Note 14A)	-	917.90	-	917.90	-	770.70	-	770.70

36.4. Valuation techniques
Mutual fund

Mutual funds are valued at the net asset value (NAV) declared by the mutual fund in respect of each particular scheme and is classified as Level 2.

Equity instruments

Equity instruments which are not actively traded on public stock exchanges but the active prices on a regular basis are available. Such instruments are classified as Level 2. Other equity instruments are fair valued based on the average of the discounted cash flow method and Net assets value (as provided by independent valuer). It is classified as Level 3.

Interest rate swaps, Currency swaps and Forward rate contracts

The most frequently applied valuation techniques include forward pricing and swap models and forward contract using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are classified under Level 2.

Investment Property

The Company obtains independent valuations for its investment properties annually. The fair values of investment property are determined by an independent registered valuer and the valuation technique adopted are Income approach, Market Approach and Composite Approach. All resulting fair value estimates for investment property are included in Level 2 (refer 14A).

36.5. Valuation adjustments and other inputs and considerations
Credit Valuation Adjustments (CVA)

The Company calculates CVA on a counterparty basis over the entire life of the exposure.

The Company applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Company concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2022-23 and 2021-22.

36.6. Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

(₹ in Crore)

Particulars	2022-23	2021-22
Type of adjustment		
Credit value adjustment	0.00	0.002
Total	0.00	0.002

36.7. Transfer between level 1 and level 2

There have been no transfers between Level 1 and Level 2 for the year ended 31st March, 2022 and 31st March, 2023.

36.8. Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. The Company requires significant unobservable inputs to calculate their fair value.

(₹ in Crore)

Particulars	At 1 st April, 2022	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2023	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL) - Equities	180.04	-	-	-	-	185.81	5.77
Total financial assets designated at FVTPL	180.04	-	-	-	-	185.81	5.77
Total financial assets measured at fair value	180.04	-	-	-	-	185.81	5.77

Particulars	At 1 st April, 2021	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2022	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL) - Equities	172.35	-	-	-	-	180.04	7.69
Total financial assets designated at FVTPL	172.35	-	-	-	-	180.04	7.69
Total financial assets measured at fair value	172.35	-	-	-	-	180.04	7.69

36.9. Key assumptions and range of inputs

(a) Net Asset Value (NAV) Method:

The Net Asset Value Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on the valuation date.

(b) Discounted Projected Cash Flow:

Discounted Projected Cash Flow valuation technique is used to calculate Impact on fair value of level 3 financial instruments measured at fair value using the following unobservable input such as Discount Rate, Recovery rates, Interest Rate and Revenue from operations to ascertain the change.

(c) To arrive at fair value of unquoted investments average of Net Asset Value (NAV) and Discounted Projected Cash flow as on 31st March, 2023 is taken.

The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation.

All changes in the fair market value would be reflected in the Statement of profit and loss based on the classification FVTPL.

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities.

March, 2023

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% - 10%	5% increase (decrease) in growth rate would result in an increase (decrease) in fair value by: ₹ 22.36 crore.
	WACC	14% - 16%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: ₹ 7.85 crore.
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.33 crore.
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.33 crore.
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by : ₹ 5.69 crore.
DCF	Long term Growth Rate for cash flows for subsequent years	0% - 10%	5% increase (decrease) in growth rate would result in an increase (decrease) in fair value by: ₹ 19.23 crore.
	WACC	14% - 16%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: ₹ 7.13 crore.
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.96 crore.
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.96 crore.
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by : ₹ 5.96 crore.

36.10. Quantitative analysis of significant unobservable inputs

Interest rate volatility

Interest Rate volatility measures the expected future variability of a market price. It is generally quoted as a percentage; a higher number represents a more volatile instrument, for which larger swings in price (or interest rate) are expected. Volatility is a key input used to estimate the future prices for the underlying instrument (equity share). Interest rate volatility varies from time to time and therefore, it is not viable to make reliable and meaningful general statements about volatility levels.

Discount Rates

Discount rates are used for calculating the present value of future cash flows. In discounted cash flow models, discount rates are used as the direct reflection of the expected rate of return of the investments made by the company in the due course of the business. Hence, these rates reflect the net present value of an asset. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments.

Recovery Rates

Recovery rates reflect the estimated loss that the company will suffer given expected defaults (Non-performing Assets). The recovery rate is given as a percentage and reflects the opposite of loss severity (i.e., 100% recovery reflects 0% loss severity). In line with the operation of the Company, probability of non-performing assets to loss assets plays an important role to ascertain the recovery rates. Higher loss severity levels / lower recovery rates indicate lower expected cash flows upon the default of the instruments. Recovery rates for complex, less liquid instruments are usually unobservable and are estimated based on historical data.

Revenue from operations

Revenue is the value of all sales of goods and services recognized by a company in a period. Revenue (also referred to as Sales, Turnover, or Income) forms the beginning of a company's Income Statement and often considered the "Top Line" of a business. Growth in revenue from operation directly impacts the profitability of the company, as operation expenses are deducted from a company's revenue to arrive at its profit.

36.11. Sensitivity of fair value measurements to changes in unobservable market data

Sensitivity of fair value measurements to changes in unobservable market data cannot be ascertained due to potential off-sets from economic or accounting hedge relationships in place.

36.12. Fair value of financial instruments not measured at fair value

Set out a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

(₹ in Crore)

Particulars	31 st March, 2023		31 st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets:				
Cash and cash equivalent	47.83	47.83	559.99	559.99
Bank balances other than cash and cash equivalent	21.02	21.02	83.94	83.94
Trade Receivables	1.38	1.38	7.16	7.16
Other Receivable	0.53	0.53	1.92	1.92
Loans and advances to customers	79,236.97	79,236.97	76,989.92	76,989.92
Financial investments – at amortised cost	367.68	367.68	2.77	2.77
Other financials assets	587.20	587.20	534.96	534.96
Total financial assets	80,262.61	80,262.61	78,180.66	78,180.66
Financial liabilities				
Trade payables	0.05	0.05	0.09	0.09
Other Payable	7.89	7.89	9.55	9.55
Debt securities	48,192.09	50,161.95	54,450.18	60,018.79
Borrowing other than debt securities	14,711.28	14,711.28	7,048.96	7,048.96
Deposits	1.71	1.71	3.90	3.90
Other financial liability	1,203.75	1,203.75	1,643.91	1,643.91
Total financial liabilities	64,116.77	66,086.63	63,147.59	68,716.20

36.12.1. Valuation Methodology of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Note 36.4.

Short-term financial assets and liabilities

For financial assets and financial liabilities, that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, Trade receivables, bank balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The carrying amount of fixed interest rate bearing loans and floating interest rate bearing loans are taken as fair values.

Financial asset at amortised cost

The fair values of financial assets at amortised cost are the carrying amount of the financial asset.

Debt Securities

Fair value of traded bonds is market price of the bonds as on the balance sheet date or close to balance sheet date. In case of Commercial Paper which is Current Liability i.e., short term maturity (less than or equal to twelve months), the face value of outstanding commercial paper is considered as fair value.

Borrowing other than debt securities

The carrying amount of fixed interest rate bearing borrowings and floating interest rate bearing borrowings are taken as fair values, since these are reasonable approximation of their fair value.

37. RISK MANAGEMENT

37.1. Introduction and risk management structure

The Company, being a Housing Finance Company, is exposed to various types of risks like credit risk, operational risk, liquidity risk, market risk and foreign currency risk. Company is fully committed to manage these risks in an effective and proactive manner, for which HUDCO has in place a Risk Management Policy and Operating Manual in line with its objectives covering both the internal and external environment. With a view to minimize the impact of various risks to which Company is exposed to, Company has in place a Board level Committee namely 'Risk Management Committee of the Board'(RMCB) which reviews various suggestions/ recommendations/reports and action taken by three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

HUDCO has effective Assets and Liabilities Management system. ALCO reviews the risks relating to Assets and Liabilities and ensures management of mismatches through liquidity gap analysis, interest rate sensitivity analysis as per NHB guidelines. It is ensured that the ALM risks, if any, are managed within the permissible limits.

The Credit Risk Management Committee (CRMC) oversees and ensures that the institution's credit policies are complied with and the procedures are being consistently applied.

The Operational Risk Management Committee (ORMC) oversees and ensures the implementation of operational risk framework to explicitly manage each and every source of operational risk including Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk.

37.2. Credit risk

For management of credit risks in an effective manner, Company has established a strong appraisal mechanism containing comprehensive appraisal techniques/ guidelines in order to ensure timely repayments of principal & interest amount

37.2.1. Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the company honours its obligation, but the counterparty fails to deliver the counter value.

37.2.2. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 79,236.97 crore and ₹ 76,989.92 crore as of 31st March,2023 and 31st March, 2022 respectively, being the total of the carrying amount of balances with loans.

37.2.3. Analysis of risk concentration

HUDCO takes into consideration NHB/RBI norms for risk categorisation and the norms adopted for extending loan under HUDCO Niwas. Higher LTV is permissible for lower loan amounts while LTV reduces with the higher loan amounts. (Refer Note:10A)

31st March, 2023
**LTV wise bifurcation-
For Retail portfolio:**
(₹ in Crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	3.57	0.05	0.76	4.38
41%-60%	6.48	0.00	2.80	9.28
61%-80%	52.96	0.03	9.14	62.13
More than 80%- Individual and bulk loan	5.22	0.03	5.07	10.32
More than 80%- bulk loan	153.61	0.00	0.00	153.61
Total	221.84	0.11	17.77	239.72

Loan Portfolio:

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	39,625.22	3,298.77	481.66	43,405.65
Government - Urban Infrastructure	32,803.31	1,755.38	148.90	34,707.59
Non-Government	279.51	0.00	2,110.84	2390.35
Retail	221.84	0.11	17.77	239.72
Total	72,929.88	5,054.26	2,579.17	80,743.31

Loan Commitments:

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	2,056.27	0.00	0.00	2,056.27
Government - Urban Infrastructure	7,257.86	0.00	0.00	7,257.86
Non-Government	0.00	0.00	0.00	0.00
Retail	2.29	0.00	0.00	2.29
Total	9,316.42	0.00	0.00	9,316.42

31st March, 2022
**LTV wise bifurcation-
For Retail portfolio:**
(₹ in Crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	4.57	0.11	0.72	5.40
41%-60%	8.36	0.01	3.05	11.42
61%-80%	53.96	1.10	8.76	63.82
More than 80%- Individual and bulk loan	6.66	0.29	5.14	12.09
More than 80%- bulk loan	163.92	0.00	0.00	163.92
Total	237.47	1.51	17.67	256.65

Loan Portfolio:

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	42,695.33	1,260.78	448.33	44,404.44
Government - Urban Infrastructure	30,291.74	925.32	148.90	31,365.96
Non-Government	291.65	0.00	2,194.28	2,485.93
Retail	237.47	1.50	17.68	256.65
Total	73,516.19	2,187.60	2,809.19	78,512.98

Loan Commitments:

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,402.34	0.00	0.00	1,402.34
Government - Urban Infrastructure	4,394.49	0.00	0.00	4,394.49
Non-Government	0.00	0.00	0.00	0.00
Retail	2.69	0.00	0.00	2.69
Total	5,799.52	0.00	0.00	5,799.52

37.3. Liquidity risk

To manage the liquidity risk, Company has in place an effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, public deposits, term loans etc.

The Company maintains a pool of liquid assets which represents the primary source of liquidity in stress scenarios. Its composition is subject to limits designed to reduce concentration risks which are monitored on an on-going basis.

Analysis of financial assets and liabilities by remaining contractual maturities.

(₹ in Crore)

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y & Above	Total
As at 31st March, 2023						
Financial assets						
Cash and cash equivalent and other bank balances	54.84	14.01	0.00	0.00	0.00	68.85
Net settled derivative assets	1.53	0.00	0.00	0.00	0.00	1.53
Financial assets at fair value through profit and loss	0.00	75.70	0.00	0.00	187.99	263.69
Loans	3731.90	2778.94	12564.98	12279.95	47881.21	79236.97
Financial investments at amortised cost	367.68	0.00	0.00	0.00	0.00	367.68
Other financial assets	19.64	8.38	559.11	0.00	0.07	587.20
Trade receivables	0.96	0.96	0.00	0.00	0.00	1.91
Total undiscounted financial assets	4176.54	2877.98	13124.09	12279.95	48069.27	80527.83
Financial liabilities						
Net settled derivative liabilities	1.53	0.00	0.00	0.00	0.00	1.53
Deposits	0.52	1.12	0.07	0.00	0.00	1.71
Debt securities	4970.00	2581.67	6487.69	6026.92	28125.81	48192.09
Borrowings (other than debt securities)	2829.71	498.97	11198.46	161.18	22.96	14711.28
Trade payable	4.07	3.87	0.00	0.00	0.00	7.94
Other financial liabilities	521.13	526.24	156.37	0.00	0.00	1203.75
Total undiscounted financial liabilities	8326.97	3611.87	17842.59	6188.10	28148.77	64118.30
Net undiscounted financial assets/(liabilities)	(4150.43)	(733.89)	(4718.50)	6091.85	19920.50	16409.53
As at 31st March, 2022						
Financial assets						
Cash and cash equivalent and other bank balances	582.55	45.13	16.25	0.00	0.00	643.93

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y & Above	Total
Net settled derivative assets	3.79	0.00	0.00	0.00	0.00	3.79
Financial assets at fair value through profit and loss	0.00	0.00	73.64	0.00	182.29	255.93
Loans	2742.12	3761.00	11456.76	10728.81	48301.23	76989.93
Financial investments at amortised cost	2.77	0.00	0.00	0.00	0.00	2.77
Other financial assets	0.00	8.52	0.00	526.44	0.00	534.96
Trade receivables	3.58	3.58	0.00	0.00	0.00	7.16
Total undiscounted financial assets	3334.81	3818.23	11546.66	11255.25	48483.52	78438.46
Financial liabilities						
Net settled derivative liabilities	3.43	0.00	0.00	0.00	0.00	3.43
Deposits	1.01	1.29	1.60	0.00	0.00	3.90
Debt securities	6658.47	3577.72	8551.67	6630.97	29031.35	54450.18
Borrowings (other than debt securities)	2726.75	1752.33	2114.90	397.01	57.97	7048.96
Trade payable	0.05	0.04	0.00	0.00	0.00	0.09
Other financial liabilities	743.75	743.75	156.41	0.00	0.00	1643.91
Total undiscounted financial liabilities	10133.46	6075.13	10824.58	7027.98	29089.32	63150.47
Net undiscounted financial assets/(liabilities)	(6798.65)	(2256.90)	722.07	4227.27	19394.20	15287.99

37.4. Market risk

In order to mitigate the risks arising from fluctuations in interest rates and foreign currency exchange rates, Company periodically reviews and determines its lending rates based on its cost of funds and the market scenario. Further, the interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System

37.4.1. Total market risk exposure

(₹ in Crore)

	31 st March, 2023	31 st March, 2022	Primary Risk Sensitivity
	Carrying amount		
Assets			
Cash and cash equivalent and other bank balances	68.85	643.93	
Derivative Financial Instruments	0.02	0.32	Interest rate/ FX
Financial assets at FVTPL	261.69	253.94	Equity Price
Loans	79,236.97	76,989.92	Interest Rate
Trade Receivables	1.38	7.16	
Investment in Associates and Joint Ventures	2.00	2.00	
Other Financial Assets	587.20	534.96	
Financial Investments- Amortised cost	367.68	2.77	
Total	80,525.79	78,435.00	
Liabilities			
Borrowings (other than debt securities)	14,711.28	7,048.96	Interest rate/FX

	31 st March, 2023	31 st March, 2022	Primary Risk Sensitivity
	Carrying amount		
Derivative Financial Instruments	0.00	0.00	Interest rate/FX
Deposits	1.71	3.90	
Debt Securities	48,192.09	54,450.18	Interest rate
Trade Payables	0.05	0.09	
Other Financial Liabilities	1,203.75	1,643.91	
Total	64,108.88	63,147.04	

37.4.2. Interest rate risk

The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31st March, 2023 and 31st March, 2022.

Particulars	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity
	2022-23	2022-23	2022-23	2021-22	2021-22	2021-22
Derivative Financial Instruments	100/ (100)	0.00/ (0.00)	-	100/ (100)	0.00/ (0.00)	-
Loans & Advances	100/ (100)	92.45/ (92.45)	-	100/ (100)	121.12/ (121.12)	-
Borrowings	100/ (100)	6.35/ (6.35)	-	100/ (100)	1.28/ (1.28)	-
Debt Securities	100/ (100)	0.00/ (0.00)	-	100/ (100)	0.04/ (0.04)	-

37.4.3. Currency risk

In order to mitigate the risks associated with Foreign Currency Fluctuations, Company has a Foreign Currency Risk Management policy.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the INR would have resulted in an equivalent but opposite impact.

Currency	Change in currency rate in % 2022-23	Effect on profit before tax 2022-23 ₹ in crore	Effect on equity 2022-23 ₹ in crore	Change in currency rate in % 2021-22	Effect on profit before tax 2021-22 ₹ in crore	Effect on equity 2021-22
USD	1	0.61/(0.61)	-	1	0.97/(0.97)	-
JPY	1	0.02/(0.02)	-	1	0.27/(0.27)	-

37.4.4. Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. At 10 per cent increase in the value of the Company's equities at 31st March, 2023 would have increased equity by ₹18.58 crore. An equivalent decrease would have resulted in an equivalent but opposite impact and would cause a potential impairment, which would reduce profit before tax by approximately ₹18.58 crore.

37.4.5. Operational Risk

In order to mitigate the operational risk(s) associated with the operations of the organization both internal as well as external including technology risk, employee risk, capital asset risk, external risk, compliance risks viz. external fraud, legal risk, etc, Company has established a strong reporting and monitoring mechanism.

Operational Risk Management framework covers managing each and every source of Operational Risk as a distinct risk to the institution's safety and soundness. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational Risk Factors and Key Risk Indicators (KRIs)' from Regional Offices/ departments which are further reviewed and analysed for mitigation of operational risk.

NOTE 38: Tax Expenses

(₹ in Crore)

Particulars	Period ended 31 st March, 2023	Period ended 31 st March, 2022
Current income tax:		
Current income tax charge	435.00	419.00
Adjustments in respect of current income tax of previous year	(1.40)	(0.24)
Deferred tax:		
Relating to origination and reversal of temporary differences	154.19	210.58
Income tax expense reported in the statement of profit or loss	587.79	629.34

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March, 2023 and March 2022:

INCOME TAX

(₹ in Crore)

Particulars	Period ended 31 st March, 2023	Period ended 31 st March, 2022
Accounting profit before income tax	2289.41	2345.94
Tax at statutory Income Tax rate of 25.168 %	576.20	590.43
Adjustment in respect of Current Income Tax of Prior Years	(1.40)	(0.24)
Income not subject to Tax (Less)		
Dividend Income	-	-
Rental Income (30%: Standard Deduction)	4.09	3.70
Deductions		
Difference in Depreciation	0.42	(0.54)
Profit on sale of Fixed Assets	0.02	-
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	110.40	106.18
Provision for Bad & Doubtful Debt u/s 36(1) (viiia) of the Income Tax Act, 1961	22.37	21.53
PM CARES Fund	-	-
Reversal of Excess Provision for short Income tax	0.05	0.02
Expenses disallowed in Income Tax Act 1961 (Add)		
ECL and Principal Waiver	(18.41)	(62.82)
Provision on Advances, Debtors, Staff Loans etc.	(1.80)	0.88
Provisions for Employee Benefit	(2.64)	9.81
Disallowance as per sec 43B	0.25	(0.45)

Particulars	Period ended 31 st March, 2023	Period ended 31 st March, 2022
Others	0.55	1.48
Interest u/s 234	0.15	0.13
CSR	11.32	11.82
Ind AS Adjustment to P& L A/C	6.73	(0.31)
Sub Total	433.60	418.76
Deferred Tax Liability	154.19	210.58
Total Tax expenses	587.79	629.34
Effective Income tax Rate (in %)	25.67	26.83

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(₹ in Crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2023	31 st March, 2023	2022-23	2022-23
Derivative Financial Instruments	0.01		0.07	
Investments	25.94		(0.38)	
Property, Plant and Equipment	4.60		(0.25)	
Debt Securities	8.55		2.29	
Deposits				
Other Financial Liabilities	0.35		0.01	
Other Non- Financial Liabilities		0.29	(0.02)	
Other Equity	1,659.62		(139.99)	
Loans		621.48	(20.17)	
Receivable		3.14	(1.68)	
Other Financial Assets		0.01	0.00	
Other Non-Financial Assets	2.72		0.39	
Borrowings	0.22	0.00	(0.32)	
Provisions		70.97	(2.46)	
OCI			8.32	(8.32)
Total	1,702.01	695.89	(154.19)	(8.32)

(₹ in Crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2022	31 st March, 2022	2021-22	2021-22
Derivative Financial Instruments	0.08	-	0.09	-
Investments	25.56	-	(1.28)	-
Property, Plant and Equipment	4.35	-	(0.59)	-
Debt Securities	10.84	-	1.98	-

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2022	31 st March, 2022	2021-22	2021-22
Deposits		-		-
Other Financial Liabilities	0.36	-	(0.24)	-
Other Non- Financial Liabilities		0.31	0.23	-
Other Equity	1519.63		(156.04)	-
Loans		641.65	(64.10)	-
Receivable		4.82	0.22	-
Other Financial Assets		0.01	0.00	-
Other Non-Financial Assets	3.11		0.09	-
Borrowings		0.10	(0.43)	-
Provisions		73.43	10.15	-
OCI			(0.65)	0.65
Total	1563.93	720.32	(210.58)	0.65

39. Ind AS-116 Leases-

a. Company as a Lessee

Company has lease contracts for the office building which are cancellable by the both the lessor and lessee. Company has some contracts which are cancellable by the either lessor and lessee and at present there is no estimation by the company to continue or discontinue the same, further amount of that leases is not material for the company and therefore company is not creating ROU on that asset based on the materiality as per the guidance given under the Indian accounting standard. Further company used hindsight in determining the lease term where the contract contained options to extend or terminate the lease and therefore its leases are covered under the short-term leases as per the guidance under the Ind AS-116.

Amounts recognised in Statement of Profit and Loss relating to short term leases is ₹1.56 crore during the year 2022-23 and in the previous year 2021-22 is ₹1.55 crore.

b. Company as a Lessor

The Company has given its Assets on the leases; details of the same are given under the Note No-14A Investment Property.

Lease Rental recognized as income during the year 2022-23 is ₹54.18 Crore and in the Previous year 2021-22 is ₹ 49.04 crore.

NOTE 40: EXPLANATORY NOTES TO ACCOUNTS

1) The financial results for the Financial Year ended 31st March, 2023 have been drawn up on the basis of Ind-AS that are applicable to the Company based on MCA Notification G. S. R. 111 (E) and G. S. R. 365 (E) dated 16th February, 2015 and 30th March, 2016 respectively as amended from time to time. Any guidance/ clarifications issued by NHB/RBI or other regulators are adopted/ implemented as and when they are issued/ applicable. The results have been prepared based on the Schedule III for Non-Banking Financial Companies as per Notification G.S.R. 1022 (E) issued by the Ministry of Corporate Affairs on 11th October, 2018 and as amended vide notification GSR (E) dated 24th March, 2021.

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

(a) **Contingent Liabilities:**

(₹in Crore)

	Particulars	2022-23	2021-22
i.	Demand (including penalty) on account of payment of guarantee fee on SLR debentures guaranteed by Government of India	31.61	31.61
ii.	Disputed Income tax demands against which Company has gone in appeal. The Company has paid a cumulative amount up to 31 st March, 2023 of ₹301.70 crore (previous year ₹279.80 crore) under protest. (This does not include un-quantified demands pertaining to interest/ penalties which may be levied after the finalization of appeals)	320.69	297.73
iii.	TDS demands as per TRACES Portal	0.05	0.12
iv.	Disputed service tax demands against which Company has gone in appeal. The Company has paid a cumulative amount upto 31 st March, 2023 of ₹0.92 crore (previous year ₹0.14 crore) under protest. (This does not include un-quantified demands pertaining to interest/penalties which may be levied after the finalisation of appeals).	6.87	7.07
v.	Levy of Fine by Stock Exchanges (NSE & BSE) due to Non-Compliance with Corporate Governance requirements: NSE: ₹87,99,260/-, BSE: ₹49,12,340/- for the period 30 th September, 2019 to 31 st December 2022	1.34	1.37

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

(₹in Crore)

	Particular	2022-23	2021-22
i.	Estimated amount of commitments remaining to be executed on capital account	167.82	167.82

(c) **Finance Lease Commitments:**

The finance lease commitments are in respect of properties at Plot No. A2, Sector 62, NOIDA-201309 and at Paryavas Bhawan, Bhopal

(in ₹)

Particulars	31 st March, 2023		31 st March, 2022	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	23,532	21,693*	23,532	2,206
After one year but not more than five years	-	-	23,532	2,033
Total minimum lease payments	23,532	21,693	47,064	4,239
Less amounts representing finance charges	-	-	-	-
Present value of minimum lease payments	23,532	21,693	47,064	4,239

*Present Value for the MLP @8.50% as on 31.03.2023 has been considered.

NOTES : 40 (Contd.)

The above does not include any contingent liability in respect of Andrews Ganj Project (AGP), arising on account of various court cases/arbitration/allottees' claims against cancellation of allotment etc., as in this case, HUDCO is only working as an agent being project executed on behalf of Govt. of India. As such, liability (if any) whenever ascertained/finalized shall be passed on to MoHUA, Govt. of India and met out of AGP (No Lien AGP Account), being maintained separately, in line with the directions of the then MoUD

3) Andrews Ganj Project

- (a) (i) HUDCO had initiated execution of Andrews Ganj Project (AGP) on behalf of the then Ministry of Urban Development, (MoUD) in the year 1989-90.
- (ii) As per minutes of the meeting held on 7th September, 1995, it has been agreed to pay interest @ 17% p.a. (simple) on the expenditure incurred on AGP along with 1.5% of project cost as administrative charges.
- (iii) As per Perpetual Lease Deed dated 04th July, 1997, the Company is liable to make available "Net Resources" from the development and disposal of properties of the AGP to then MoUD and accordingly the Company was crediting interest on Net Resources generated on the project upto 03rd November, 2004. Subsequently, a separate "No Lien AGP Account" has been opened under the name of "HUDCO AGP Account", in which the surplus lying to the credit of the then MoUD was credited and interest accrued/ earned on "No Lien AGP Account" was also credited to that account.
- (iv) HUDCO contends that as per minutes of the meeting held on 07th September, 1995 and in terms of Perpetual Lease Deed dated 04th July, 1997, the status of the Company is "Agent of MoUD". The contention of HUDCO is that it is working as an agent and as such total ownership rights and responsibilities of AGP are of MoHUA-GOI (erstwhile MoUD) and there is no financial liability of HUDCO in respect of AGP. This has been upheld by learned Shri GE Vahanvati, the then Solicitor General of India, vide his opinion dated 12th April, 2005. This opinion was re-confirmed by learned Shri GE Vahanvati as Attorney General of India vide his opinion dated 19th August, 2009. The opinion was also duly endorsed by the then Law Secretary and Law Minister of Government of India.
- (v) Keeping this position in view and in accordance with HUDCO's Board decision in 459th meeting dated 24th August, 2009, HUDCO has been making payments / settling claims on Ministry's behalf and accounting them in "No Lien AGP Account" being separately maintained by HUDCO. As on 31st March, 2023, this account has a deficit in the form of debit balance of ₹558.97 crore, recoverable from MoHUA (erstwhile MoUD). This represents amount paid by HUDCO on behalf of the Ministry for the capital and revenue expenditures on AGP project over and above the recoveries and the accumulated interest amounting to ₹ 291.81 crore charged @ 10.75% p.a. (simple), on excess of expenditure over recoveries. The MoHUA (erstwhile MoUD) in a meeting held on 27th April, 2015 have also asserted that HUDCO shall continue to implement and manage the AGP in terms of Perpetual Lease Deed and all the pending issues shall be looked into for resolution by the Ministry. The MoHUA (erstwhile MoUD) in the said meeting has also decided that HUDCO as a Lessee will bear all the liabilities including the liabilities generated out of compliance of various court orders in cases related to the project. The company vide its letter dated 30th September, 2015, conveyed its reservation to accept the decision for bearing the liabilities of Andrews Ganj project as HUDCO is acting as an agent of MoHUA, Government of India, for AGP, in terms of perpetual lease deed conditions and other agreed terms.
- (vi) The Ministry has been informed specifically of the above facts and figures on various occasions through correspondence as also in the meetings. A communication was received from Dy. L&DO vide letter dated 22nd March, 2016 wherein Dy. L&DO had conveyed that HUDCO may continue to implement Andrews Ganj project and manage "No Lien AGP Account" in line with the terms and conditions as stipulated in the Perpetual Lease Deed dated 04th July, 1997. The Ministry again informed in specific vide Dy L&DO letter dated 31st May, 2018 that HUDCO as a lessee is permitted to incur/book maintenance and legal expenditure in respect to Andrews Ganj Project from "No Lien AGP Account". Like earlier years, in-line with the minutes of meeting dated 07th September, 1995, the perpetual lease deed dated 04th July, 1997, income of ₹ 28.51 crore on account of interest accrued on AGP Project has been credited to Statement of Profit and Loss for the period year ended 31st March, 2023.
- (vii) As decided by HUDCO Board in its 596th meeting held on 14th June, 2018, Ministry of Housing and Urban affairs has been requested vide letter dated 09th July, 2018 to consider taking over the Andrews Ganj project with assets and liabilities and pay the amount incurred / to be incurred by HUDCO, towards implementing the project. It has also been conveyed that "till the project is taken over by Ministry", HUDCO shall be continuing implementing the project as per existing arrangements and continue booking maintenance and legal expenses, interest @ 10.75% p.a. and administrative charges @ 1.5% in "No Lien AGP Account". The decision on the same from the Ministry is awaited.
- (viii) The company, in its aforesaid capacity as an agent of MoHUA (erstwhile MoUD), relating to AGP, is in possession of real estate properties (9 guest houses blocks and hotel site) which command much higher realizable market value sufficient to recover aforesaid amount of ₹ 558.97 crore, as on 31st March, 2023.
- (ix) MoHUA was requested vide letter dated 13th January, 2021 to make arrangements towards reimbursement of the

NOTES : 40 (Contd.)

amount recoverable endorsement for settling the same from the project proceeds as and when the same are realized, which is also in line with the Lease agreement and well settled and agreed.

In reply to the same, Ministry vide letter dated 10th March, 2021 has requested for certain additional information including the breakup details of principal amount and interest amount as contained in the "No Lien AGP Account" to process HUDCO's request.

Ministry vide letter dated 28th June, 2021 has stated that the "HUDCO's proposal is under examination in consultation with IFD, MoHUA. Till the proposal of HUDCO vide their letter dated 13th January, 2021 is approved, the existing arrangement may be continued as conveyed vide this office letter dated 22nd March, 2016 and 31st May, 2018".

- (b) (i) The Company had allotted a hotel site including car parking space to M/s Tomorrowland Technologies Exports Ltd. i.e., TTEL (formerly known as M/s. M S Shoes East Limited). Due to default in payment of installments by TTEL, the Company cancelled the allotment of hotel site including car parking space and forfeited the amount paid by TTEL in terms of the allotment letter.
- (ii) TTEL started litigation regarding hotel site and filed suit for declaration in lower courts that cancellation of allotment letter by HUDCO, be declared as null & void. The Sr. Civil Judge passed final order dated 03rd July, 2010 against HUDCO. HUDCO filed first appeal against the Order of Sr. Civil Judge Before Additional District Judge (ADJ) Delhi. The ADJ vide Order dated 18th July, 2014 dismissed the first appeal of HUDCO and passed the judgment in favour of TTEL. HUDCO filed Regular Second Appeal (RSA) with Hon'ble High Court of Delhi which passed the final judgment on 03rd July, 2016 in favour of HUDCO. TTEL challenged the High Court Order by filing SLP NO: 34338/2016 in the Hon'ble Supreme Court. The matter is currently in pendency before Hon'ble Supreme Court.
- (iii) The allotment of 9 blocks of guest houses, restaurants, kitchens and shops, which were allotted to TTEL, was cancelled due to default in payment of installment by TTEL and amount of first installment paid by TTEL was forfeited as per terms of allotment letter. TTEL filed a civil suit for permanent injunction and possession against HUDCO & Union of India. The Hon'ble High Court, vide Order dated 10th August, 2016, directed that HUDCO & Union of India should consider the proposal given by TTEL for refund of entire amount deposited by way of 1st installment by it with HUDCO along with interest at such rate which may be deemed appropriate by Court.

In view of Hon'ble High Court of Delhi order dated 10th August, 2016, the Board in its 568th meeting held on 23rd August, 2016 resolved to approve the proposal to refund first installment forfeited by HUDCO excluding earnest money & the interest for delayed payment paid thereof by TTEL for guest house blocks after adjusting the commercial losses caused to HUDCO and other expenses incurred by HUDCO since 1997-98 from the date of completion of project subject to necessary approval/NOC of MoUD, Govt. of India.

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

TTEL filed Review Petition in the month of May, 2017, before Hon'ble High Court of Delhi for review of the Decree dated 13th January, 2017, praying inter-alia for refund of EMD, grant of interest @ 16.48% p.a. on quarterly rests. Subsequently, Review Petition filed by TTEL was disposed off by the High Court on 12th December, 2017. Thereafter, TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Hon'ble Supreme Court against the Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The Company filed application for recalling the Hon'ble High Court Order dated 13th January, 2017, in view of the Review Petition filed by TTEL and directions of Govt. of India. The matter was listed on 28th August, 2018, after hearing all parties, Hon'ble High Court dismissed the "Recall Application" of HUDCO. HUDCO filed SLP in Supreme Court challenging the High Court Order dated 28th August, 2018 and 13th January, 2017. Vide Order dated 18th September, 2018, the Hon'ble Supreme Court has dismissed the SLP as withdrawn, with liberty to HUDCO to file all legal objections regarding the executability of the decree in the executing Court.

Further, TTEL also filed first Execution Petition in Delhi High Court and later on, the same was also withdrawn by TTEL on 23rd December, 2017. Thereafter, TTEL has filed Revised Execution Petition, making Govt. of India also a party and claiming rate of interest @ 11% p.a. as per the decree dated 13th January, 2017. The matter was listed on 3rd May, 2018, wherein the Hon'ble High Court first directed for attachment of HUDCO Property i.e. HUDCO Bhawan, IHC, Lodhi Road, New Delhi. However, after hearing the submission of HUDCO vide the same order, Hon'ble High Court kept the attachment order of HUDCO Property in abeyance till the next date and also directed that HUDCO will not sell the property at Andrews Ganj, Delhi. Further, the learned Justice V.N. Khare, former Chief Justice of India, has opined that, "HUDCO's consent to perform the terms of the Order dated 13th January, 2017 was conditional on UOI's support

NOTES : 40 (Contd.)

and in the event, any liability is indeed ascribed to HUDCO, the same should then be recoverable from the UOI”.

In view of the Supreme Court’s Order dated 18th September, 2018, HUDCO filed objection in the Execution Petition, pending in Delhi High Court. The matter was listed on 29th October, 2018. After hearing the submission of HUDCO’s Counsel, the Hon’ble Court dismissed the objections. HUDCO filed two appeals in Delhi High Court as under:

- (a.) Regular first Appeal (RFA 79/2018) against the final order/ decree dated 13th January, 2017 and order dated 28th August, 2018 (Dismissal of Recall application by High Court). Notices have been issued.
- (b.) Execution First Appeal (EFA No 19/2018) against the order dated 29th October, 2018, wherein objections of HUDCO in execution petition were dismissed. The matter was listed on 27th November, 2018. After hearing the matter, the Hon’ble Court stayed the execution proceeding pending in Delhi High Court till the next date. The matter was listed again on the application of the M/s TTEL for vacation of stay on 08th July, 2020 before Division Bench, Delhi High Court, after hearing the matter, the Hon’ble Court directed that Execution First Appeal (EFA) 19/2018 shall be adjourned sine die and will be listed after the final disposal of the Regular First appeal (RFA 79/2018). The parties are at liberty to move the application for revival of EFA after final disposal of RFA 79/2018. Till the further order, the stay on the Execution proceedings shall be continued. Both the cases are pending.

TTEL filed SLP in Supreme Court, against the High Court Order dated 27th November, 2018, wherein High Court stayed the execution proceedings. However, the same has been withdrawn by TTEL on 14th January, 2019.

TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Supreme Court against Decree dated 13th January, 2017 and Hon’ble High Court Order dated 12th December, 2017. The SLP filed by TTEL is currently pending in Hon’ble Supreme Court. Further, in the SLP No 10752/53 of 2018, the Union of India has filed an affidavit denying its liability on this account. The said affidavit, was placed before the Board of Directors of HUDCO and as per the decision, the company has also filed a reply/affidavit to the affidavit of Union of India denying its liabilities on account of the same bases on perpetual Lease Deed 04th July, 1997 and Record Note of discussion dated 07th September, 1995. The matter is currently pending before Hon’ble Supreme Court of India.

Hence, in view of the facts and circumstances stated above, the Company does not expect any liability on this account and any expenditure related thereof. In case of any liability by virtue of any court order or otherwise, the same shall be in the account of “No Lien AGP Account” of MoUD, based on the facts and documents and the legal opinions obtained by HUDCO.

- (c) The arbitrator has passed an award in favour of M/s. Ansal Properties and Industries Ltd. (APIL) amounting to ₹8.84 crore along with interest @ 18% p.a. on 28th July, 2005 in respect of the property leased to APIL at AGP. The Arbitrator has also allowed the counter claim of HUDCO amounting to approximately ₹ 0.85 crore along with interest @ 18% p.a. on account of maintenance charges w.e.f. 1st January, 2001 up-to 31st July, 2005. HUDCO has challenged the award before the Hon’ble High Court of Delhi and, as per the directions of the court, has deposited a sum of ₹7.99 crore in the court out of “No Lien AGP Account”.

APIL has invoked arbitration for refund of ground rent paid by it from November, 1995 to October, 1999 and the arbitrator has pronounced the award on 21st July, 2006 holding therein that APIL is not liable to pay the ground rent up to October, 1999 i.e. till the shopping arcade was constructed and became operational in October, 1999. The amount of ₹3.93 crore deposited earlier by APIL has been directed to be adjusted towards the future ground rent payment dues w.e.f. November, 1999 along-with Interest @ 7% p.a. for delayed payment. HUDCO has filed petition challenging the award before the Hon’ble High Court of Delhi. The Hon’ble High Court on 10th May, 2012 has set aside the arbitration award dated 21st July, 2006. APIL filed an appeal against the above-mentioned order before Division Bench of Hon’ble High Court, Delhi. Division Bench vide its order dated 24th January, 2013, allowed APIL appeal and upheld the Arbitrators award. HUDCO filed SLP on 10th May, 2013 before Hon’ble Supreme Court against this order which is currently pending.

On the last day of hearing, i.e., 5th January, 2023, APIL’s counsel has informed the court that vide Order dated 16th November 2022, APIL has been declared insolvent by NCLT and therefore, now the APIL is under Moratorium. Hence as per the law, all the proceedings pending against APIL are automatically stayed by virtue of law. Further, HUDCO has filed its total claims due against APIL before the Resolution Professional appointed for the above purpose.

- 4) HUDCO had allotted 6435 sq. mtr. of built-up space in 1993 at HUDCO Vishala, Bhikaji Cama Place, New Delhi to EPFO on Long Term Sub-lease basis. The sub-lease in favour of EPFO is yet to be executed and ₹0.35 crore is recoverable from EPFO.
- 5) (a) The Company has a procedure for seeking confirmation of outstanding balances at each quarter end from all the borrowers except cases under litigation. In case of receipt of balance confirmation from the agency for any Quarter of the year, the same is treated as confirmed during the year. Confirmation of balances covering approximately 99.16% received up to 11th May 2023 (Previous Year: 92.63% received upto 11th May 2022) in value of the total project loan outstanding (excluding Litigation cases) have been received from the borrowers.

NOTES : 40 (Contd.)

- (b) The Company has impairment provision on loans (as per ECL approach) of ₹2,431.06 crore as on 31st March 2023 and ₹2,504.23 crore as on 31st March, 2022 as per Ind-AS requirement.
- (c) As per RBI notification no. RBI/2019-20/170 Circular DOR (NBFC). CC.PD.No.109/ 22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standards, Housing Finance Companies are required to create an Impairment Reserve for any shortfall in impairment allowances under Ind-AS 109 and IRACP norms (including provision on standard assets). The impairment allowance under Ind-AS 109 made by the company is lower than the total provision required under IRACP as at 31st March, 2023 and accordingly, impairment reserve of ₹67.88 crore has been created

(₹ in crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	72,929.89	29.95	72,899.94	338.52	
	Stage 2	5,054.25	48.19	5,006.06		
Sub-total (A)		77,984.14	78.14	77,906.00	338.52	(260.38)
Non- Performing Assets						
Sub-standard	Stage 3	66.40	22.31	44.09	9.96	12.35
Doubtful-						
--upto 1 year	Stage 3	52.44	16.84	35.60	13.11	3.73
--1 to 3 years	Stage 3	468.31	157.29	311.02	187.32	(30.03)
--More than 3 Years	Stage 3	2,136.07	2,119.53	16.54	2,136.07	(16.54)
Sub-total for Doubtful (B)		2,656.82	2,293.66	363.16	2,336.50	(42.84)
Loss	Stage 3	35.95	35.95	0.00	35.95	0.00
Sub-total for NPA ('C)		2,759.17	2,351.92	407.25	2,382.41	(30.49)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1		1.00			1.00
	Stage 2					
	Stage 3					
Sub-total (D)			1.00			1.00
Total (A+B+C+D)	Stage 1	72,929.89	30.95	72,898.94	338.52	
	Stage 2	5,054.25	48.19	5,006.06		
	Stage 3	2,759.17	2,351.92	407.25	2382.41	
	Total	80,743.31	2431.06	78,312.25	2720.93	(289.87)

* Does not include Interest Accrued, Ind AS Adjustment etc.

NOTES : 40 (Contd.)

- 6) The receipts from the agencies in the loan accounts is appropriated as per loan agreement in the following order:
- Other dues/ expenses recoverable
 - Penal interest
 - Normal interest
 - Principal
- In the event of excess payment, the same is adjusted towards principal.
- However, in respect of default cases, repayments are first adjusted towards liquidation of the oldest default by following above order and after appropriation of default, the balance, if any, is adjusted as per the normal practice as above.
- 7) During the FY 2022-23, the company has implemented restructuring plan in case of M/s VS Lignite Power Private Limited in March 2023 from the date of order of NCLT, Hyderabad, dated 16th March 2021, with principal outstanding of ₹78.75 crore. As per the restructuring plan, ₹30.14 crore of the principal outstanding will be paid by M/s VS Lignite Power Private Limited to HUDCO, out of the same ₹2.66 crore as upfront and remaining ₹27.48 crore is to be repaid as Term loan repayable over 5 years. The balance principal amount of ₹48.61 crores to be written off with the reversal of the corresponding ECL allowance thereof. As per NHB norms, the same will kept as NPA under watch period for next one year. The Principal Outstanding as on 31.03.2023 is ₹20.61 crore
- 8) HUDCO had earned dividend income of ₹0.06 Crore (Previous Year: ₹0.08 Crore) during the Financial Year 2022-2023.
- 9) The Company had made Long Term Investments at a total cost of ₹99.86 crore which represents Investment in Equity Shares, Infrastructure Debt Fund, Debts Instruments and Investments in Associates. As per the applicable Ind AS, Investments as on 31st March, 2023 are being shown at fair value through profit or loss of ₹261.68 crore.
- 10) HUDCO had invested as equity of ₹22.85 Crores in Cochin International Airport Ltd (CIAL). CIAL came out with rights issue in March 2023. HUDCO Board in its 652nd Board meeting held on 24th March, 2023 approved for applying in rights entitlement for 31,42,207 shares and for additional 7,85,552 shares in the event of non-subscription of rights issue by other existing shareholders, with issue price of ₹50/- per share (Including premium of ₹40/- per share) for a total value of ₹19.64 crore. CIAL Board approved allotment of rights issue in 5th May 2023, accordingly HUDCO was allotted 36,09,547/- shares (Rights entitlement of 31,42,207 shares and additional 4,67,340 shares) amounting to ₹18.05 crore. HUDCO has got refund of ₹1.59 crores in 10th May 2023 towards the balance amount.
- 11) Loans granted by the company directly to individuals and bulk loans under HUDCO Niwas Scheme are secured fully/partly by:
- Equitable Mortgage of the property and /or
 - Undertaking to create security through execution of Tripartite Agreement between the Company, borrower, and the Developing Authority / Developer;
 - Hypothecation of Distribution Assets of the borrower Company.
 - Negative Lien on the assets of the borrower Company. Assets of the Company include the book debts and future receivable.
 - Government Guarantee, first charge on the assets of the housing finance company or First Pari-Passu charge on the outstanding loans or Exclusive Charge/ First Pari-Passu charge on the present and future receivables/ Book Debts, Escrow mechanism, postdated cheques or ECS or RTGS, First Pari-Passu charge on immovable property/ Undertakings, Demand promissory note and irrevocable Power of Attorney in favour of HUDCO to recover the money from individual borrowers.
- In addition to (i) and (ii) above, the assignment of Life Insurance Policies, pledge of National Saving Certificates, Fixed Deposits, etc. are also obtained.
- 12) The Company has adopted Ind AS-19 'Employee Benefits'. Defined employee benefit schemes are as follows:
- The Company has a separate trust to manage provident fund scheme and provides interest guarantee as per Employees' Provident Fund Scheme, 1952. The Company pays fixed contribution of provident fund at a predetermined rate to the trust, which invests the funds in permitted securities. The trust is required to pay a minimum notified rate of interest on contribution to the members of the trust and the provident fund scheme additionally requires the company to guarantee the payment of interest at rates notified by the EPFO from time to time under the Employees' Provident Fund Scheme,

NOTES : 40 (Contd.)

1952 and recognizes such deficiency as an expense in the year it is determined.

In view of the interest rate guarantee by the Company, the plan although being a defined contribution plan is being treated as defined benefit plan for the purpose of disclosure as per Ind AS 19, since as per Section 17 of the Employees Provident Funds (EPF) Act, 1952, the company has to guarantee the interest rate as announced by the EPFO from time to time. Accordingly, the actuarial valuer has done valuation to the extent of interest rate guarantee and details of the same have been disclosed as given below.

- o The fair value of the plan assets of the Provident Fund and the accumulated members' corpus is ₹415.90 crore and ₹411.57 crore respectively (Previous year ₹338.93 crore and ₹377.44 crore respectively). The fair value of the assets of the provident fund as at 31st March, 2023 is higher than the obligation under the defined contribution plan. Provision of (₹4.33) crore (Previous year ₹38.51 crore) is outstanding based on actuarial valuation.
- o The total employee benefit expense for the valuation period is ₹4.85 crore. The amount for Other Comprehensive Income is (₹36.45) crore.

The actuarial assumptions include discount rate of 7.27% (Previous year 6.81%) and an average expected future period of 6.38 years (Previous year 6.85 years). The Company recognized ₹11.09 crore (Previous year ₹10.62 crore) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to this plan by the Company are at rates specified in the rules of the schemes.

- (b) The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the payment of Gratuity Act, 1972. The scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company.
- (c) The summarized position of various defined benefit schemes recognized in the Statement of Profit & Loss, Balance Sheet and the funded status are as under:

(₹in Crore)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
1.Component of Employer Expenses								
a. Current Service Cost	2.30	2.47	3.54	3.38	1.10	1.05	5.06	4.82
b. Interest Cost	(0.18)	0.00	2.72	2.09	0.82	0.66	14.95	11.64
c. Past Service Cost				-		-	13.82	25.74
d. Unrecognized Past service cost				-		-		-
e. Expected return on plan assets	(0.39)	4.34	N.A	N.A.	N.A	N.A.	N.A	N.A.
f. Actuarial (Gain) / Loss	(1.82)	0.36	2.73	5.31	(1.52)	0.81	4.82	(4.72)
g. Recognised in Other Comprehensive Income	1.44	(4.70)	N.A	N.A.	N.A	N.A.	(4.82)	4.72
h. Recognised in the Statement of Profit & Loss \$	2.13	2.47	8.99	10.78	0.40	2.52	33.83	42.20
2. Net Asset / (Liability) Recognised in Balance Sheet as at 31.03.2023								
a. Present value of Obligation as at 31.03.2023	78.80	78.11	43.99	39.25	11.54	11.96	229.01	200.71
b. Fair Value of plan assets as at 31.03.2023	79.18	79.18	N.A	N.A.	N.A	N.A. #	N.A	N.A. #

NOTES : 40 (Contd.)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
c. Liability / (Assets) recognised in Balance Sheet	(0.38)	(1.07)	43.90	39.25	11.54	11.96	229.01	200.71
3. Change in present value of obligation as on 31.03.2023								
Present Value of obligation as at 31.03.2022	78.11	77.57	39.25	33.44	11.96	10.61	200.71	171.44
Current service cost	2.30	2.47	3.54	3.38	1.10	1.05	5.06	4.82
Interest Cost	5.21	4.93	2.72	2.09	0.82	0.66	14.95	11.64
Past Service Cost	-	-		-		-	13.82	25.74
Unrecognized Past service cost	-	-		-		-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Actuarial gains and losses arising from changes in financial assumptions	(1.67)	(2.29)	0.00	0.00	0.00	0.00	6.37	(21.72)
Actuarial gains and losses arising from experience adjustments	(0.15)	2.66	2.73	5.31	(1.52)	0.81	(1.55)	17.00
Benefits Paid	(5.00)	(7.23)	(4.25)	(4.96)	(0.82)	(1.17)	(10.36)	(8.21)
Present Value of obligation as at 31.03.2023	78.80	78.11	43.99	39.25	11.54	11.96	229.01	200.71
4. Change in the Fair Value of Plan Assets								
Present value of plan assets as on 31.03.2022	79.17	78.75	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Expected return on Plan Assets	5.39	4.90	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Actual company Contribution	-	7.07	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Benefits Paid	(5.00)	(7.23)	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Return on Plan Assets excluding amount included in Net Interest Expense	(0.38)	(4.34)	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Actuarial gains and losses arising from changes in demographic assumptions		-	-	-	-	-		-
Actuarial gains and losses arising from changes in financial assumptions		-	-	-	-	-		-
Actuarial gains and losses arising from experience adjustments		-	-	-	-	-		-
Fair Value of Plan Assets as at 31.03.2023	79.18	79.17	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.

NOTES : 40 (Contd.)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Actual Return on plan assets	5.01	0.58	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
5. The Principal assumptions used in determining defined benefits obligations for the company's plans								
Discount Rate (p.a.) (%)	7.27	6.81	7.27	6.81	7.27	6.81	7.27	7.49
Expected rate of returns on plan assets (p.a.) (%)	7.27	6.81	N.A	N.A	N.A	N.A	N.A	N.A
Salary increase rate (p.a.) (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Withdrawal Rates	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages
Leave availment rate	N.A	N.A	1% p.a	3% p.a.	1% p.a	3% p.a.	N.A	N.A
Leave encashment in service	N.A	N.A	0% p.a	2% p.a.	0% p.a	0% p.a.	N.A	N.A
6. Details of the Plan Assets at cost as on 31.03.2023								
Government of India Securities, Corporate Bonds etc.	N.A#	N.A#	N.A#	N.A#	N.A#	N.A#	N.A#	N.A#
Gratuity Fund Managed by Insurer	100%	100%						

Gratuity

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	77.06	80.62	76.15	80.15	79.11	78.44	78.52	77.65	78.92	78.67	78.24	77.98

HPL

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	11.21	11.89	11.61	12.35	11.89	11.20	12.38	11.61	11.47	11.62	11.87	12.05

NOTES : 40 (Contd.)

EL

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	42.90	42.84	38.19	40.48	45.16	42.86	40.55	38.23	43.92	44.10	39.15	39.40

Medical Benefits

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Medical growth rate increase			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	215.40	243.99	186.87	216.06	239.21	219.91	208.85	193.91

Expected payment for future years	Gratuity		HPL		EL		Medical benefits	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Within the next 12 months (next annual reporting period)	12.91	7.36	1.16	0.80	3.27	2.10	8.59	7.61
Between 2 to 5 years	42.55	37.54	5.80	5.26	23.35	17.89	44.11	39.25
Between 5 and 10 years	42.33	44.19	7.35	8.12	26.18	24.11	88.87	79.18
Total expected payments	97.79	89.09	14.31	14.18	52.80	44.10	141.58	126.04

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

\$ It represents the amount to be recognized in the Statement of Profit & loss as per actuarial valuation. However, since the scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company, so the premium paid is debited to the Statement of Profit & Loss.

The scheme of Gratuity is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company. Further, the schemes of Leave Encashment and Post-Retirement medical benefits are unfunded.

Note:-

- The Company expects to contribute ₹ 1.62 crore (Previous year ₹ 1.24 crore) to the Gratuity Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2023 is 6.20 years (Previous year 6.85 years).
- The Company expects to contribute ₹ 8.30 crore (Previous year ₹ 7.34 crore) to the Medical Benefit Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2023 is 21.21 years (Previous year 21.43 years).

13) Details of Provisions

(₹ in Crore)

S. No.	Particulars	Opening balance	Additions during the year	Paid/ Adjusted during the year	Closing balance
A	Provision for employees benefit				
(i)	Leave encashment	51.21	9.39	5.07	55.53
	Previous Year	44.05	13.29	6.13	51.21
(ii)	Post-retirement medical benefit	200.71	43.47	15.17	229.01
	Previous Year	171.43	42.21	12.93	200.71
(iii)	Welfare expenses	1.35	0.58	0.17	1.76

NOTES : 40 (Contd.)

S. No.	Particulars	Opening balance	Additions during the year	Paid/ Adjusted during the year	Closing balance
	Previous Year	1.94	(0.31)	0.28	1.35
(iv)	Gratuity	(1.07)	(0.75)	(1.44)	(0.38)
	Previous Year	(1.17)	2.47	2.37	(1.07)
(v)	Provident Fund	38.51	(68.05)	(25.21)	(4.33)
	Previous Year	35.21	11.32	8.02	38.51
B	Others				
	Provision for Income Tax	419.50	435.60	419.50	435.60
	Previous Year	428.00	419.50	428.00	419.50
C	Provisions on Loans (ECL -Net)				
	Provision on loans (ECL)	2504.23	0.00	73.17	2431.06
	Previous Year	2753.78	0.00	249.55	2504.23
D	Provision on Corporate Social Responsibility (CSR)				
	Provision on CSR	47.67	45.24	32.37	60.54
	Previous Year	80.19	46.95	79.47	47.67
E	Provisions on Investment/ Advances/ Debtors/ Staff Advances/against disputed service tax paid				
(i)	Provisions on Investment	3.11	0.00	0.00	3.11
	Previous Year	3.11	0.00	0.00	3.11
(ii)	Provision on staff advances	0.15	0.00	0.00	0.15
	Previous Year	0.14	0.01	0.00	0.15
(iii)	Provision on Advances	6.66	0.46	0.00	7.12
	Previous Year	3.41	3.25	0.00	6.66
(iv)	Provision on Doubtful Debts	17.01	0.00	6.70	10.31
	Previous Year	16.80	0.21	0.00	17.01
(v)	Provision against disputed service tax paid	2.49	0.00	0.00	2.49
	Previous Year	2.49	0.00	0.00	2.49

- 14) a. The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB.

RBI has issued notification dated 22nd October, 2020, on regulatory framework for HFCs, by which the definition of HFC has undergone a change. HFCs which are unable to fulfill the criteria shall be treated as NBFC – Investment and Credit Companies (NBFC-ICC).

Since, HUDCO does not fulfil the criteria of HFC as per the new definition, RBI was requested vide letter dated 16th December, 2020 for special dispensation to HUDCO for granting exemption and treat HUDCO as HFC.

RBI in its reply letter dated 10th February, 2021 has informed its inability to accede to HUDCO's request for exemption and accordingly suggested to submit a Board approved plan to fulfill the principal business criteria for HFC or to convert into a NBFC-ICC.

RBI was requested vide letter dated 8th March, 2021 to grant six months' time for transition to NBFC and to retain the status of HFC and to continue operations with the special dispensations/ relaxations given earlier with regard to credit concentration norms/ exposure norms permitted by NHB/ RBI.

In response to HUDCO's request, RBI vide letter dated 26th March, 2021 and 27th September, 2021 granted time till 31st December, 2021 to submit Board approved plan for conversion to NBFC. RBI has further advised that the exemptions from concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions.

The proposal for transition of HUDCO from its present status of HFC to NBFC – IFC was approved in-principle by the HUDCO's Board in its meeting held on 28th December, 2021. Thereafter, HUDCO required approval from Ministry of

NOTES : 40 (Contd.)

Housing and Urban Affairs for the conversion before submission of application form to RBI. RBI was requested vide letter dated 28th December, 2021 to grant three months' time for submission of application to RBI and to retain the status of HFC and RBI vide letter dated 31st December, 2021 granted time till 31st March, 2022 for conversion from HFC to NBFC-IFC.

HUDCO had submitted application to RBI on 29th March, 2022 to convert from HFC to NBFC- IFC. In reference thereof, RBI vide letter dated December 22, 2022 expressed its inability to accede to HUDCO's request for conversion of certificate of registration (CoR) to an NBFC-IFC owing to non-fulfilment of certain condition of RBI Master Directions for NBFCs. After detailed deliberation and ensuring compliance with the RBI Master Directions for NBFCs, HUDCO has resubmitted the application with necessary documents with RBI for conversion of certificate as NBFC-IFC on February 22, 2023. In view of the above, the management reckons to receive the said approval from RBI in FY 2023-24. Till such time HUDCO continues to retain the status of HFC.

- b. RBI vide circular number DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 has introduced Scale-Based Regulations (SBR) for NBFCs and these guidelines have been made effective from October 01, 2022.

As per this framework Government owned NBFCs are still in the transition period and therefore RBI decided not to subject them to the Upper Layer regulatory framework. Guidelines as applicable for the NBFC-Middle Layer (ML) shall be applicable to the Company. Disclosures applicable to the Company have been made in the notes to Accounts under regulatory disclosures.

15)

- RBI has issued Master Directions for NBFC-HFC vide their Notification dated 17th February, 2021. RBI's credit concentration norms state that a Housing Finance Company's lending exposure to any single borrower or investment in the shares of another company should not exceed 15% of its owned funds and lending exposure to any single group of borrowers or investment in the shares of single group of companies should not exceed 25% of its owned funds. As per the said circular, Investment of a Housing Finance Company (HFC) in the shares of another HFC shall not exceed 15% of the Equity Capital of the investee company.

The Company is complying with National Housing Bank's credit concentration norms except in one case of investment in another HFC viz., Indbank Housing Ltd. (IBHL), a subsidiary of Indian Bank in which HUDCO has invested 25% capital of investee.

HUDCO had invested ₹2.50 crore, out of total paid up capital of ₹10 crore, in the equity shares of IBHL in the year 1990-1991 and 1991-1992, resulting in investment to the extent of 25% of the equity. The investment was made before regulatory guidelines were issued. No further investment was done nor any disinvestment has been made.

HUDCO has been making efforts for past several years to exit/bring down its stake within the prescribed norms however since Ind-Bank Housing Finance is having accumulated losses and is non-operational for several years it has not been successful. However, recently Ind-Bank with a view to revive its operations and adequately capitalize it has decided to increase equity base and invited investment bids from strategic investors and Indian Bank would also subscribe by way of preferential allotment so as to maintain its 51% stake. The proposal has been submitted to RBI and in case it is approved, HUDCO's stake would come down below 25% which will be well within norms. Further, HUDCO has written down the investment in its books and being reflected at Rs. 1.

- NHB/ RBI, from time to time, has given certain relaxations from credit concentration norms considering the role envisaged for HUDCO. However, vide its letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 2nd April, 2018, NHB capped the credit concentration (Exposure) limit for Government/Public agencies as follows:
 - (a) The individual exposure limit of HUDCO to Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/ non-housing related activities) shall be capped at 50% of its NOF.
 - (b) The exposure limit of HUDCO for State Government (under group exposure) shall be capped at 150% of its NOF in respect of State of Telangana and 100% of NOF for all other States. HUDCO is required to take suitable steps to bring down the group exposure in respect of State of Telangana also to 100% within a maximum period of 3 years. The conditions relating to compliance by the concerned State with the FRBM limits shall continue to be ensured by HUDCO.

The Board of Directors of HUDCO in its 594th meeting held on 19th April, 2018 considered above and directed that "NHB be again requested to expeditiously review its decision communicated vide its letter dated 2nd April, 2018 and permit HUDCO to continue on the already approved pattern of credit concentration norms communicated by NHB vide its letters from time to time".

NHB vide its letter no. NHB(ND)/DRS/SUP/7085/2018 dated 13th July, 2018 has conveyed its decision to allow HUDCO to continue its disbursements as per the schedule in relation to the existing sanctions made upto 31st May, 2018. However, HUDCO shall be required to take suitable steps to bring down the exposure to Government/Public Agencies and State Governments (under group exposure) in the above cases also to 50% and 100% respectively latest by March, 2023.

The exposure limits of upto 50% for Government/Public Agencies (inclusive of the exposure limit of upto 30% for

NOTES : 40 (Contd.)

infrastructure/non-housing related activities) and upto 100% for State Governments (under group exposure) will continue to be applicable in all other cases. The condition relating to compliance by the concerned State with the FRBM limits shall continue.

HUDCO vide letter dated 6th March, 2019 requested NHB seeking relaxation in the individual/group exposure norms. Further, HUDCO also sought exemption from exposure norms for funding of PMAY (U) programme through Extra Budgetary Resources (EBRs).

NHB vide its letter no. NHB(ND)/DRS/SUP/879/2019 dated 8th March, 2019 granted relaxation in credit concentration norms (under individual borrower exposure to Government /public agency) to HUDCO to extend loan upto ₹20,000 crore to BMTPC under the PMAY-U subject to the condition that demand under Credit Linked Subsidiary Scheme (CLSS) is met on priority while utilizing funds lent to BMTPC.

NHB vide its letter no. NHB(ND)/DRS/SUP/880/2019 dated 8th March, 2019 granted relaxation to HUDCO in respect of credit concentration (exposure) norms upto 140%, 175% and 120% of the NOF in respect of the State of Andhra Pradesh, Telangana and Uttar Pradesh respectively (under group exposure) and upto 55% (under individual exposure) each in case of APTIDCO and HMWSSB subject to the following conditions:

- (i) HUDCO shall continue to ensure that the extended exposures (beyond 50% and 100% respectively) are guaranteed by the State Government(s) and HUDCO will cease to extend further exposure to these states if FRBM limits are breached.
- (ii) HUDCO shall also be required to bring down its exposure to 50% in respect of individual exposure and 100% in respect of group exposure latest by 31st March, 2023, in accordance with the roadmap for graded reduction in exposure approved by Board of Directors.
- (iii) The position should be reviewed by the Board of HUDCO on a six-monthly basis to ensure strict adherence to the Board approved exposure reduction plan.
- (iv) In the event of HUDCO failing to comply with the above exposure reduction plan, HUDCO will be required to assign risk weight of 100% on the excess exposure in addition to any regulatory penalty as may be applied by the NHB.

The exposure limit of up-to 50% for Govt./Public agencies (inclusive of the exposure limit of up-to 30% for infrastructure/ Non housing related activities) and up-to 100% for State Govt. (under group exposure) will continue to be applicable in all other cases.

RBI has vide its letter no 1736/3.10.136/2019-20 dated 5th March, 2020 granted relaxation of credit concentration norms for exposure to Telangana State Housing Corporation Limited (TSHCL) upto 75% of Net Owned Fund of HUDCO subject to following conditions:

- (i) The additional exposure is backed by explicit guarantee from State Government.
- (ii) The exposure to TSHCL will be brought down to 50% of NOF by 31st March, 2023 as prescribed by NHB (ND)/DRS/SUP/880/2019 letter dated 8th March, 2019. A detailed action plan to this effect may be forwarded to NHB.
- (iii) Other conditions as prescribed by NHB vide their above-mentioned letter dated 8th March, 2019 are adhered to.

RBI vide their letter dated 26 March, 2021 has permitted that the exemptions from concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions. However, a review shall be undertaken at the time of conversion to NBFC.

HUDCO was given the time limit to bring down exposure upto 50% in respect of individual exposure and upto 100% for State Governments (under group exposure) by March 2023. In compliance with the same, HUDCO has brought down the exposure to 50% in respect of individual exposure and upto 100% for State Governments (under group exposure) as on March 31, 2023 in respect of all states.

- HUDCO is in the process of transition from its present status of HFC to NBFC-IFC. In view of the above, HUDCO has requested RBI to allow HUDCO to continue operations with the special dispensations/relaxations given with regard to credit concentration/exposure norms by NHB/RBI. Furthermore, HUDCO has requested RBI that it may be granted exemption from the applicability of concentration of credit/investment norms in respect of its exposure towards Central/ State Government entities consequent upon registration as NBFC-IFC in line with other Government NBFCs.

16) Details of registration number obtained from financial sector regulators:

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

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

NOTES : 40 (Contd.)

- 17) The Company in terms of SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendments) Regulations 2021 dated 07/09/2021, is presently transferring principal and/or interest, or both (if any) which remains unclaimed for 7 years from the date of payment to Investor Education and Protection Fund (IEPF) constituted in terms of Section 125 of the Companies Act, 2013. The bondholders, whose unclaimed principal and/or interest has been transferred to IEPF, may claim the same by making an online application in the prescribed Form No. IEPF-5 available on the website (www.iepf.gov.in) and sending a physical copy of the same, duly signed by all the bondholders to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the amounts, so transferred to the IEPF Authority. Dividend on equity shares and Principal & interest on Debentures/Bonds/PDS aggregating to ₹ 14.90 Crore (Previous Year ₹ 11.52 Crore) were due and unclaimed as on 31st March, 2023. During the year 2022-23, an amount of ₹ 1.88 Crore (previous year ₹ 0.03 Crore) has been transferred to IEPF after completion of statutory period of seven years.
- 18) The Company is in the continuous process of obtaining confirmation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. The company has outstanding due ₹0.20 Crore of MSME as on 31.03.2023 (previous year ₹0.30 Crore).

(₹ in Crore)

Particulars	March 31, 2023	March 31, 2022
The principal amount remaining unpaid to any supplier	-	-
The interest due thereon (above principal amount) remaining unpaid to any supplier	-	-
The amount of interest paid by the buyer in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day for the year ended	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSME Act, 2006.	-	-

- 19) The Company is engaged in the business of providing loans/finance for Housing/ Infrastructure projects and all other activities of the Company revolve around the main business within India. Accordingly, the company does not have separate reportable segments in terms of Indian Accounting Standard (Ind AS-108) on "Operating Segments".
- 20) (i) The company has tested Impairment on assets in detail as per Ind-AS 36 and as a result of assessment/testing, there is no Impairment of Assets during the Financial Year 2022-23.
(ii) Vide gazette notification no. 26/2019 dated 20th March, 2019, Company was notified for the purposes of Section 194A(3)(iii)(f) of the Income Tax Act, 1961 for non-deduction of Tax at source.
- 21) The Company has discontinued acceptance/renewal of Public Deposits under its Public Deposit Scheme from 01st July, 2019. However, redemption of deposits already taken shall be made on due dates.
- 22) The company, while raising resources, is incurring expenses of recurring nature such as debenture trusteeship fees, listing fees to stock exchanges, custodian charges to depositories, R&T Charges etc., which are not amortized over life of resource raised. The aforesaid expenses are charged to Statement of Profit and Loss under the Head "Fees & Commission Expense"
- 23) HUDCO had invested an amount of ₹50 Crore in "IIFCL Mutual Fund Infrastructure Debt Fund Series-1" in FY 2013-14, which constitute 16.67% of total holding of the fund. IIFCL Mutual Fund has proposed to close/wind up the scheme prematurely due to inability to comply with SEBI guidelines, high cost involved and low returns of around 4% since inception vis a vis market condition. In this regard, the company has decided to cast its vote in favour of the resolution proposed to be passed for premature closure/winding up the scheme of IIFCL Mutual Fund.
- 24) "The Company is a 'Large Corporate' in terms of the 'Framework for fund raising by issuance of Debt Securities by Large entities' laid under SEBI Operational Circular. Disclosure required under the said circular are given below:-

Particulars	31 st March, 2023	31 st March, 2022
Name of the company	Housing and Urban Development Corporation Ltd.	
CIN	L74899DL1970GOI005276	

NOTES : 40 (Contd.)

Particulars	31 st March, 2023	31 st March, 2022
Outstanding borrowing of company as on March 31 (in ₹crore)	61,101.06	58,829.42
Highest Credit Rating during the previous FY along with name of the Credit Rating Agency	"AAA" (with Stable Outlook) by India Ratings, ICRA and CARE Ratings.	
Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Ltd.	
Report filed for FY	2022-23	2021-22
Details of Incremental borrowings: (₹in crore)		
Incremental borrowing done in FY (With Original maturity of more than 1 year) (a)	14,391.50	4,500.00
Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	3,598.00	1,125.00
Actual borrowings done through debt securities in FY (c)	3,970.00	2,500.00
Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	NIL	NIL
Reasons for short fall, if any, in mandatory borrowings through debt securities	NA	NA

* Borrowings include all outstanding borrowings (undiscounted) having original maturity of more than one year, but do not include external commercial borrowings as per SEBI Circular.

- 25) During the year ended 31st March 2023, the Company has raised funds through issue of listed non-convertible debt securities of different tenors on private placement basis. The issue proceeds of non-convertible debt securities issued during the period, have been fully utilized for the purpose(s)/ objects stated in the offer documents/ Information memorandum and there has been no deviation / variation in the use of proceeds of non-convertible debt securities from the objects stated in the offer documents/ Information memorandum. Further, there has been no default in repayment of debt securities, borrowings and other liabilities and the Company has met all its debt servicing obligations, both towards principal and interest, during the period in a timely manner
- 26) The Company makes full provision on doubtful debtors/ receivables which are outstanding for more than three years.
- 27) The Company has taken various office premises on cancellable operating lease basis with an option to renew the lease by mutual consent on mutually agreeable terms. The aggregate lease rentals payable is charged as office rent under Note No. 32- Other Expenses of the Statement of Profit & Loss. Further, there is no financial lease as Company's leasing arrangement does not transfer substantially all risks & rewards incidental to the ownership of an asset.
- 28) During the year under review, a provision for bad and doubtful debts under section 36(1)(vii), of Income Tax Act 1961 equivalent to 5% of the taxable income (after allowing deduction u/s 36(1)(viii)), totaling to ₹ 105 crore has been created.
- 29) (a) The company has declared an interim dividend of ₹150.14 crore @ ₹0.75 per share of ₹10/- each, to its shareholders, during the year 2022-23 after approval of Board of Directors in its meeting held on 14th March 2023. The same has been paid on 29th March 2023 to the Ministry of Housing & Urban affairs and Ministry of Rural Development, GOI and to the Retail Public.
- (b) The Board of Directors at its meeting held on 26th May, 2023 has recommended a Final Dividend of 3.10 per share of ₹10/- each, which is subject to approval of shareholders at the ensuing Annual General Meeting.
- 30) **Details of Expenditure / Earnings in foreign currency:**

(₹in Crore)

Particulars	2022-23	2021-22
Expenditure		
a) Travelling	-	-
b) Interest on foreign loan	2.17	1.45

NOTES : 40 (Contd.)

Particulars	2022-23	2021-22
c) Others	0.34	0.01
Total Expenditure	2.51	1.46
Earnings		
a) Interest on overseas deposit	0.06	0.27

31) Earnings Per Share

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	2022-23	2021-22
Net Profit for the period attributable to equity shareholders (₹ in Crore) (a)	1701.62	1716.60
Weighted Average number of Equity Shares (b)	2,00,19,00,000	2,00,19,00,000
Basic / Diluted Earning Per Share of ₹10/- each (₹) (a / b)	8.50	8.57

32) As per the Ind AS- 109, the impairment of the loan asset is being arrived by working out on Expected Credit Loss. The Project loans portfolio is segregated into Government and Non-Government segment. In case of government loans, it is segregated into Housing and UIF segment and non-government loans are segregated sector wise i.e. Building Material Industries, Core, Emerging, Energy, Roads and Transportation Value Added Real Estate and Social Housing. Further, all the loans are divided into three categories: -

Stage – 1	-	0-30 days
Stage – 2	-	31-90 days
Stage – 3	-	Above 90 days

Summary of ECL as on 31st March, 2023

(₹ in Crore)

Portfolio	Stage 1	Stage 2	Stage 3	Total
Government				
Govt- Housing	3.81	3.06	181.08	187.95
Govt- UIF	3.64	43.63	58.77	106.04
Govt - Total	7.45	46.69	239.85	293.99
Non-Government				
BUILDING MATERIAL INDUSTRIES	0.00	0.00	12.51	12.51
CORE SECTOR	0.00	0.00	2.82	2.82
EMERGING SECTOR	0.00	0.00	349.88	349.88
ENERGY SECTOR	21.80	0.00	1169.03	1190.83
ROADS AND TRANSPORTATION SECTOR	0.00	0.00	97.47	97.47
VALUE ADDED REAL ESTATE	0.00	0.00	449.27	449.27
SOCIAL HOUSING SECTOR	0.00	0.00	13.32	13.32
Non Govt - Total	21.80	0.00	2094.30	2116.10
ECL on Loan Commitment	1.00	0.00	0.00	1.00
ECL on Interest Accrued	0.51	1.50	0.00	2.01
ECL on FITL Cards	0.03	0.00	0.00	0.03
ECL on Project loans	30.79	48.19	2334.15	2413.13
ECL on Interest Accrued HN	0.00	0.00	0.00	0.00
Loan Commitment (HN)	0.00	0.00	0.00	0.00
ECL on HN Loans	0.16	0.00	17.77	17.93

NOTES : 40 (Contd.)

Portfolio	Stage 1	Stage 2	Stage 3	Total
Total ECL On HN	0.16	0.00	17.77	17.93
Total ECL	30.95	48.19	2351.92	2431.06

33) Exit from Associate Companies:
(a) Signa Infrastructure India Ltd. (SIIL)

The company has decided to exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e., SIIL and indicated the value of the shares (₹10 each) at ₹76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The company has not responded to HUDCO offer. The Board of HUDCO was updated of the latest status and HUDCO Board in its meeting held on 19th December, 2019 decided that steps be taken for termination of joint venture agreement with M/s. Marg construction Ltd. (Promoter of Signa Infrastructure India Ltd) withdrawal of HUDCO Nominee Director and further action for dissolution (wind up) of Associate Company on grounds of non-compliance of various statutory compliances. In pursuance of Board Decision, HUDCO Nominee Director had submitted his resignation to the Company. In subsequent discussion held with Parent Co.-Marg Limited, HUDCO has requested for submission of concrete proposal for exit of HUDCO.

(b) Pragati Social Infrastructure & Development Ltd.

The company has decided to exit from the Associate Company (Pragati Social Infrastructure & Development Ltd.-PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filled petition to National Company Law Tribunal (NCLT) for oppression and mismanagement of operations against the company, which is pending adjudication.

(c) Shristi Urban Infrastructure Development Ltd.

The company had decided to exit from the Associate Company (Shristi Urban Infrastructure Development Ltd.-SUIDL) with Shristi Infrastructure Development Corporation Ltd. In this regard, the underlying assets i.e., SARGA Udaipur Hotels and Resorts Pvt. Ltd. (Being subsidiary of Shristi Urban Infrastructure Development Ltd.-SUIDL) has voluntarily approached NCLT for Insolvency Proceedings resulting in non-availability of authentic data for valuation of Associate Company.

34) Valuation of Investment

The Company had invested ₹ 2.50 crore in the shares of the Indbank Housing Ltd. (IBHL) more than 30 years back. Considering the fact that IBHL has highly negative Net Worth and meagre volume of trading in the share of the company, even though market price of the share as on 31st March, 2023 is ₹ 25.22 per share (previous year ₹ 27.40 per share), HUDCO continues to reflect the investment of ₹2.50 crore in IBHL at diminished value of ₹1 only as on 31st March, 2023.

35) Related parties Disclosure:
(a) Associates

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

(b) Key Management Personnel during the year 2022-23

Sl. No.	Director(s)	Status
1	Shri. Kamran Rizvi, IAS	Chairman & Managing Director (Addl. Charge) (Upto 21.10.2022)
2.	Shri Kuldip Narayan, IAS	Chairman & Managing Director (Addl. Charge) (w.e.f. 27.03.2023)
3	Shri M. Nagaraj	Director Corporate Planning (DCP) (Whole time Director) (w.e.f 01.02.2019)
4.	Shri D. Guhan	Director Finance (DF) & Chief Financial Officer (Whole time Director) (w.e.f. 31.12.2019)
5.	Shri Harish Kumar Sharma	Company Secretary (w.e.f. 06.11.2013)

NOTES : 40 (Contd.)**(c) Transactions with Associates:
Investment in Associates**

(₹ in Crore)

Proportion of ownership	25%	40%	26%		Total
Nature of Transactions	Ind bank Housing Ltd.	Shristi Urban Infrastructure Development Ltd.	Pragati Social Infrastructure & Development Ltd.	Signa Infrastructure India Ltd.	
Investments					
Balance as at 01.04.2022	2.50	2.00	0.13	0.01	4.64
Additions during the year	-	-	-	-	-
Deductions during the year	-	-	-	-	-
Balance as at 31.03.2023	2.50	2.00	0.13	0.01	4.64

(d) Transactions with Key Management Personnel:

- i) Shri M. Nagaraj, DCP, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2023.
- ii) Shri D. Guhan, DF, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2023.
- iii) Shri Harish Sharma, Company Secretary has taken the following advances in the ordinary course of business.
 - House Building loan of ₹0.22 crore (interest bearing) from the company which was released in two tranches of ₹0.11 crore in December, 2016 and ₹0.11 crore in March, 2018, which was completely repaid during the FY 2022-2023. The interest accrued as on 31st March, 2023 is ₹0.01 crore. (Previous year: - ₹0.02 crore)
 - Welfare Advance of ₹0.02 crore in February, 2021, which was completely repaid during the FY 2022-2023 along with applicable interest. (Previous year: - ₹0.01 crore).
 - Festival Advance (interest free) of ₹0.01 crore in October, 2020 which was completely repaid during the FY 2022-2023 (Previous year: ₹0.01 crore).

(e) Managerial Remuneration:

The remuneration of key management personnel and a relative of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24-Related party disclosures.

(₹ in Crore)

Particulars	2022-23	2021-22
Short term employees' benefits	1.44	1.22
Post-employment benefits#	0.18	0.16
Other long-term benefits	1.04	-
Terminal benefits	-	-
TOTAL	2.66	1.38

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined.

- (f) As per DPE letter dated 21st January, 2013, the Chairman and Managing Director and Whole Time Directors are entitled to use staff car for private use upto 1,000 km. per month against payment of ₹2,000/- per month.

NOTES : 40 (Contd.)
36) Information in relation to the interest of the company in Associates:
a) Details of Associates

Name of the Company	Contribution towards equity (₹ in Crore)	Country of Residence	Proportion of ownership
Shristi Urban Infrastructure Development Ltd.	2.00	India	40%
Pragati Social Infrastructure & Development Ltd.	0.13	India	26%
Signa Infrastructure India Ltd.	0.01	India	26%
Indbank Housing Ltd.	2.50	India	25%
Total	4.64		

b) The following table summarizes key information relevant to associate Shristi Urban Infrastructure Development Ltd.

(₹ in Crore)

Particulars	31 st March, 2023 (Provisinal)	31 st March, 2022 (Audited)
Cash and cash equivalents	0.10	0.10
Trade receivables	5.20	5.20
Property, plant and equipment	0.01	0.01
Capital work-in-progress	34.55	33.74
Other financial assets	0.56	0.55
Other current assets	0.25	0.25
Other non-current assets	1.28	1.28
Current tax assets	0.15	0.15
Provisions	(0.00)	(0.00)
Borrowings	(22.06)	(22.05)
Trade payable	(0.37)	(0.37)
Other liabilities	(16.89)	(15.61)
Net Assets	2.78	3.25
Profit after tax	(0.47)	(0.47)

Information in respect of Investments in Associate viz., Pragati Social Infrastructure & Development Ltd, Signa Infrastructure India Ltd and Indbank Housing Limited has not been incorporated as HUDCO has decided to exit from the Associate and has provided for full diminution in the value of investment.

37) Corporate Social Responsibility

- a) The Company has formulated a CSR Policy in line with the guidelines issued by Department of Public Enterprise (DPE) vide its Office Memorandum No. CSR- 15/0008/2014-Dir (CSR) dated 01st August, 2016 and provisions of CSR in the Companies Act, 2013 with the approval of HUDCO's Board on the recommendations of Committee of Board.

As per Companies Act, 2013, company approved allocation for CSR Budget for the FY 2022-23, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹44.98 crore.

NOTES : 40 (Contd.)

(₹ in Crore)

S.No.	Particulars	Amount			
		2022-23		2021-22	
1.	Gross Amount of CSR required to be spent	44.98		41.99	
2.	Amount spent during the year on:	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
	i) Construction/ Acquisition of any asset	--	--	--	--
	ii) On purpose other than (i) above	3.207*	--	29.47	--

(*) For the on-going projects sanctioned prior to 31.03.2021

During the FY 2022-23, HUDCO has approved CSR assistance of ₹26.68 crore for 19 proposals in various states. As per HUDCO's approved CSR Policy, 1st instalment of CSR assistance is to be released on completion of documentation and the subsequent instalments are released on receipt of utilization of certificate of the released CSR grant and after achieving physical/financial progress in the proposal. Since most of the proposals were approved in the last quarter of financial year, concerned agencies are yet to complete the documentation formalities and preparatory works for execution of works e.g., finalization of tender etc. and therefore the 1st instalment could not be released in proposals approved during the year and in view of this, the amount has been transferred to the unspent CSR account. This has resulted in delay in incurring CSR expenditure from the CSR budget of FY 2022-23.

- b) Companies (CSR Policy) Amendment Rules 2021 dated 22nd January, 2021 issued by Ministry of Corporate Affairs has notified that the Company hereafter follows the amended rules. Accordingly, any amount remaining unspent pursuant to ongoing projects undertaken by a company in pursuance of its CSR policy shall be transferred by the company in the unspent CSR Account with any Bank within a period of 30 days from the end of financial year. CSR amount transferred to the said account shall be spent by the company in pursuance of its obligation towards CSR Policy within a period of three financial year from the date of such transfer. Thereafter, balance of unspent amount, if any, shall be transferred to a fund specified in Schedule VII mentioned under Section 135 of Companies Act 2013, within a period of 30 days from the date of completion of the third financial year.
- c) During the year 2022-23, the company has approved CSR assistance of ₹26.68 crore for 19 proposals in various states, however as already stated above no expenditure could be incurred in these proposals as most of the proposals were approved in the last quarter of financial year and concerned agencies are yet to complete the documentation formalities. Accordingly, the amount pertaining to these ongoing proposals is transferred to 'Unspent CSR account' opened in April 2023 and shall be incurred as per Companies CSR Rules 2021 as stated above. Further, ₹ 3,20,72,843 /- has been spent during current financial year 2022-23 for the ongoing CSR proposals sanctioned prior to 31st March, 2021.
- d) As of 31st March 2023, an amount of ₹18,30,18,204/-, being the unspent CSR amount other than ongoing CSR activities for the FY 2022-23 shall be transferred to Government fund specified in Schedule VII of the Companies Act,2013 within the stipulated time period, i.e., on or before 30th September,2023.
- e) In compliance with the Ministry of Corporate Affairs, Government of India notification dated 22nd January,2021, as already mentioned in the Annual Report under Category "CSR activities" for financial year 2021-22, HUDCO has transferred an amount of ₹16,99,00,000/- being the unspent CSR budget amount for the financial year 2021-22 to 'Swachh Bharat Kosh', a fund specified in Schedule VII of the Companies Act,2013 on 30th September, 2022.
- f) As on 31st March, 2023, the total amount available under Unspent CSR Account opened in April 2021 is ₹ 13,75,61,434/- (Previous year 31st March, 2022, ₹ 27,02,24,158/-). During the year, out of the aforesaid amount, ₹ 2,53,51,342/- and ₹ 73,86,085/- has been contributed to 'Swachh Bharat Kosh' and 'PM CARES Fund' funds specified in Schedule VII of the Companies Act, 2013, respectively due to closure and curtailment of CSR proposals sanctioned prior to 31st March, 2021. Besides this, ₹ 8,88,90,596/- amounting to the other than earmarked for ongoing projects of earlier years due to closure and curtailment has been transferred to 'Swachh Bharat Kosh', a fund specified in Schedule VII of the Companies Act,2013 on 30th September, 2022 as already mentioned in the Annual Report under Category "CSR activities" for financial year 2021-22

38) Research & Development (R&D)

The Company had formulated a Research & Development (R&D) policy in line with the guidelines issued by the Department of Public Enterprises vide Office Memorandum No. 3(9)/ 2010-DPE (MoU) dated 20.09.2011. However, vide Office Memorandum No. M-05/0012/2014-DPE(MoU) dated 17th July, 2019, DPE informed that the guidelines prescribed vide above Office

NOTES : 40 (Contd.)

Memorandum dated 20.09.2011 have become redundant and stood withdrawn. The Board of Directors of HUDCO in its meeting held on 19.02.2020 noted the above development and has also approved to continue with HUDCO's own R&D policy formulated in 2012. The Board of Directors also approved to discontinue with earmarking 0.5% of PAT until the accumulated non-lapsable R&D funds are fully utilized. During the FY 2022-23, an amount of ₹0.13 crore was spent on R&D. Accordingly an amount of ₹ 9.30 crore as on 31st March 2023 (Previous Year: ₹ 9.43 crore) was available with HUDCO as non-lapsable R&D funds.

- 39) The Company has not advanced or lent or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

40. Additional Disclosure requirement as per NHB/RBI Directions
a) Capital to Risk Assets Ratio (CRAR)

	Particulars	2022-23	2021-22
i)	CRAR (%)	73.79%	74.29%
ii)	CRAR - Tier I Capital (%)	73.64%	74.12%
iii)	CRAR - Tier II Capital (%)	0.15%	0.17%
iv)	Amount of subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

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

(₹in Crore)

Particulars	2022-23	2021-22
Balance at the beginning of the year		
(a) Statutory Reserve u/s 29C of the NHB Act,1987		
(b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s29C of the NHB Act,1987	5,735.19	5,235.19
(c) Total	5,735.19	5,235.19
Addition / Appropriation / Withdrawal during the year		
Add:		
(a) Amount transferred u/s 29C of the NHB Act, 1987		
(b) Amount of special reserve u/s 36(1)(viii)of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act,1987	500.00	500.00
Less:		
(a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act,1987		
(b) Amount withdrawn from the Special Reserve u/s36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act,1987	-	-

NOTES : 40 (Contd.)

Particulars	2022-23	2021-22
(c) Transfer to General Reserve	-	-
Balance at the end of the year		
(a) Statutory Reserve u/s 29C of the NHB Act,1987		
(b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act,1987	6235.19	5,735.19
(c) Total	6235.19	5,735.19

c) Investments

(₹ in Crore)

Particulars	2022-23	2021-22
3.5.1. Value of Investments		
(i) Gross value of Investments		
(a) In India	634.48	261.82
(b) Outside India		-
(ii) Provisions for Depreciation		
(a) In India	3.11	3.11
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	631.37	258.71
(b) Outside India		-
3.5.2. Movement of provisions held towards depreciation on investments.		
(i) Opening balance	3.11	3.11
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/Written-back of excess provisions during the year	-	-
(iv) Closing balance	3.11	3.11

d) Derivatives**i. Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)**

(₹ in Crore)

Particulars	2022-23	2021-22
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counter parties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

NOTES : 40 (Contd.)
ii. Exchange Traded Interest Rate (IR) Derivative

	Particulars	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	NIL
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31 st March, 2023 (instrument-wise)	NIL
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL

iii) Disclosures on Risk Exposure in Derivatives
A. Qualitative Disclosure

The Company has Risk Management Policy duly approved by the Board. The Policy covers the currency risk (including interest rate risk) of the Company. This policy provides the guiding parameters within which the Company can take decisions for managing the Currency Risk that it is exposed to on account of foreign currency loans. The purpose of the policy is to provide a framework to the company for management of its foreign currency risk.

B. Risk Management Structure:

- (a) The Company enters into derivatives viz. Principal only Swaps, Currency and Interest Rate Swaps/ Forward rate contract for hedging the interest/ exchange rate risk in foreign currency liabilities. An Asset Liability Management Committee (ALCO) is currently functioning under the chairmanship of Director Finance with Head of Resources, Head of Operations, Head of Loan accounts, Head of General Accounts, Head of Economic Cell, Head of Risk Management as Member Secretary, or any other officer nominated as by ALCO Chairman as its member ALCO monitors effectiveness of existing and new hedging instruments/ strategies being used/ to be used for management of the Currency risk and also for taking stock of the market movements. The decisions of the ALCO are reviewed by the Risk Management Committee (RMC) for managing the risks. The decisions taken by the RMC are subsequently reported to the Board of Directors.
- (b) These derivative transactions are done for hedging purpose and not for trading or speculative purpose.
- (c) Reference may be drawn to Sub Point No. 4.6 of para 4 of Notes forming part of accounts under Significant Accounting Policies for relevant accounting policy on Transactions in Foreign Currency.

C. Quantitative Disclosure

(₹ in Crore)

	Particulars	Currency Derivatives* 2022-23	Interest Rate Derivatives 2022-23
(i)	Derivatives (Notional Principal Amount)	1.53	-
(ii)	Marked to Market Positions[1] **		
	(a) Assets(+)	0.02	-
	(b) Liability(-)		
(iii)	Credit Exposure[2]***	0.04	-
(iv)	Unhedged Exposures	61.66	-

* Swap arrangement entered into with Exim Bank in respect of foreign currency loans availed from USAID had not been considered as Currency Derivatives. Only the Forward contract entered into by the Company with MUFG Bank in respect of JICA has been considered as Currency Derivative.

** The mark to market positions mentioned above are those as informed by the counterparties (generally banks).

*** Sum of the total replacement cost (obtained by "mark to market") of all contracts with positive value and an amount for

NOTES : 40 (Contd.)

potential future changes in credit exposure calculated on the basis of the total notional principal amount of the contract multiple by credit conversion factor according to the resident maturity of the contract (i.e., 1% in the case of exchange rate contract with maturity of less than one year).

e) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in Crore)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over One month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	0.02	0.00	0.08	0.05	0.15	0.22	1.12	0.07	0.00	0.00	1.71
Borrowings from banks	121.50	0.00	20.50	1266.00	694.83	720.15	493.77	11177.66	140.38	0.00	14634.79
Market Borrowings	0.00	1400.00	0.00	0.00	2100.00	1470.00	2581.67	6487.69	6026.92	28125.81	48192.09
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	6.73	5.20	20.80	20.80	22.96	76.49
Assets											
Advances	0.59	1010.56	17.83	1271.61	69.06	1362.25	2778.94	12564.98	12279.95	47881.21	79236.97
Investments	71.93	166.66	39.87	89.22	0.00	0.00	75.69	0.00	0.00	187.99	631.36
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Mismatches, if any, are supported by committed/undrawn working capital limits from banks.

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

(₹ in Crore)

Category		2022-23	2021-22
a)	Direct Exposure		
	(i) Residential Mortgages-		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)	38.86	44.00
	(ii) Commercial Real Estate-		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels land acquisition, development, and construction, etc.). Exposure would also include non-fund based (NFB) limits:	1040.02	1101.85
	(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures-		
	a) Residential	-	-
	b) Commercial Real Estate	-	-
b)	Indirect Exposure		
		-	-
	A) Indbank Housing @	2.50	2.50
	B) Centbank housing	1.70#	11.30
	C) Exposure to group companies in real estate sector Shrishti Urban Infrastructure limited	2.00	2.00

Note@: 100% Provision made in the books and shown as Re 1 in the books

Fair value of exposure in the books of accounts is ₹ 12.75 Crore

NOTES : 40 (Contd.)
ii) Exposure to Capital Market

(₹ in Crore)

	Particulars	2022-23	2021-22
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (At Cost)	46.75	46.75
(ii)	Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	NIL
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/ convertible debentures/ units of equity oriented mutual funds' does not fully cover the advances;	NIL	NIL
(v)	Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers;	NIL	NIL
(vi)	Loans sanctioned to corporate against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
(vii)	Bridge loans to companies against expected equity flows/issues;	NIL	NIL
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market		46.75	46.75

iii) Details of financing of parent company products: Not Applicable on company

g) Disclosure of Penalties imposed by NHB and other regulators: No penalty has been levied

h) Unsecured Advances

(₹ in Crore)

S. No.	Particulars	2022-23	2021-22
1.	Unsecured Advances (Gross)	548.28	374.47

i) Registration obtained from other regulators:

Refer note 40(13) for details

j) Rating assigned by Credit Rating Agencies and migration of rating during the year

- The credit rating of HUDCO's domestic debt instrument(s) and Banking Sector Loan(s)/Facilities reaffirmed as "AAA-Stable" (Long term) and "A1+" (Short term) the highest rating on Standalone basis by the three credit rating agencies, viz., India Ratings and Research Private Ltd (IRRPL), CARE Ratings Limited and ICRA Limited.
- During the financial Year 2022-23, two International Credit Rating agencies viz., Fitch and Moody's have re-affirmed credit rating of "BBB-with Stable Outlook" and "Baa3 with Stable Outlook" respectively of the company. Each of the above credit ratings is equivalent to India's sovereign rating, and is of Investment grade

k) Provision and Contingencies

(₹ in Crore)

S. No.	Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	2022-23	2021-22
1.	Provisions for depreciation	-	-
2.	Provision made towards Income tax	435.00	419.00
3.	Provision towards NPA*	26.13	98.48

NOTES : 40 (Contd.)

(₹ in Crore)

S. No.	Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	2022-23	2021-22
4.	Provision for Standard Assets *		
	i) Commercial Real Estate (Residential Housing) - CRE-RH	(4.38)	(1.93)
	ii) Commercial Real Estate- CRE	22.35	(0.51)
	iii) Other than CRE & CRE-RH	2.86	11.71
	iv) Others (special dispensation by NHB)	-	-
	v) Investment in unquoted Bonds	-	-
5.	Other Provision and Contingencies		
	A. Provision for Employee Benefit		
	i) Leave Encashment	4.32	7.16
	ii) Post-Retirement medical benefit	28.30	29.27
	iii) Welfare expenses	0.41	(0.59)
	iv) Gratuity	0.69	0.11
	v) Provident Fund	(42.84)	3.30
	B. Provision on Debtors/ recoverable, other than loans and advances	(0.53)	3.89

*The figures reported above are as per NHB Provision, however the same is not appearing in the Profit & Loss due to application of ECL as per Ind AS norms.

I) Concentration of Public Deposits, Advances, Exposures and NPAs**i. Concentration of Public Deposits***

Particulars	2022-23	2021-22
Total Deposits of twenty largest depositors (₹ in crore)	1.50	2.69
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	87.99%	68.99%

*The Company has discontinued acceptance/ renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019.

ii. Concentration of Loans & Advances

Particulars	2022-23	2021-22
Total Loans & Advances to twenty largest borrowers (₹in crore)	67,855.97	65,743.05
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	84.04%	84.01%

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

Particulars	2022-23	2021-22
Total Exposure to twenty largest borrowers / Customers (₹in crore)	72,732.88	68,433.31
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/customers	80.76%	81.17%

iv. Concentration of NPAs

Particulars	2022-23	2021-22
Total Exposure to top ten NPA accounts (₹in crore)	2038.91	2056.43

NOTES : 40 (Contd.)
v. Sector wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		2022-23	2021-22
A.	Housing Loans:		
1.	Individuals	20.63%	19.06%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	100.00%	100.00%
4.	Others(specify)	1.11%	1.01%
B.	Non-Housing Loans:		
1.	Individuals	0.00%	0.00%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	85.12%	85.19%
4.	Others(specify)	1.42%	1.57%

m) Movement of NPAs
(₹ in crore)

Particulars	2022-23	2021-22
(I) Net NPAs to Net Advances (%)	0.48%	0.53%
(II) Movement of NPAs (Gross)		
a) Opening balance	2809.20	2756.89
b) Additions during the year	66.15	61.08
c) Reductions during the year	116.18	8.77
d) Closing balance	2759.17	2809.20
(III) Movement of Net NPAs		
a) Opening balance	400.65	446.83
b) Additions during the year	4.54	7.97
c) Reductions during the year	28.90	54.15
d) Closing balance	376.29	400.65
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	2408.55	2310.06
b) Provisions made during the year	61.61	113.97
c) Write-off/write-back of excess provisions	86.11	15.48
d) Closing balance	2384.05	2408.55

NOTES : 40 (Contd.)

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

(₹ in Crore)

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	2022-23	2021-22	2022-23	2021-22
Standard Assets*				
a) Total Outstanding Amount	43,558.69	44,559.59	35,084.41	31,706.75
b) Provisions made	176.61	182.69	161.90	134.98
Sub-Standard Assets				
a) Total Outstanding Amount	66.40	61.16	0.00	0.00
b) Provisions made	9.95	9.18	0.00	0.00
Doubtful Assets – Category-I				
a) Total Outstanding Amount	52.45	346.66	0.00	0.00
b) Provisions made	13.11	86.67	0.00	0.00
Doubtful Assets – Category-II				
a) Total Outstanding Amount	325.25	1.03	143.05	146.75
b) Provisions made	130.10	0.41	57.22	58.70
Doubtful Assets – Category-III				
a) Total Outstanding Amount	147.96	150.45	1,988.11	2,067.12
b) Provisions made	147.96	150.45	1,988.11	2,067.12
Loss Assets				
a) Total Outstanding Amount	23.32	23.39	12.63	12.63
b) Provisions made	23.32	23.39	12.63	12.63
TOTAL				
a) Total Outstanding Amount	44,174.07	45,142.28	37,228.20	33,933.25
b) Provisions made	501.05	452.79	2,219.86	2,273.43
c) Additional Provision made	1.02	0.53	0.00	0.00
d) Total Provision made	502.07	453.32	2,219.86	2,273.43

* Includes interest Acceried Figures also

- o) Overseas Assets

Particulars	2022-23		2021-22	
	(₹in crore)	(US \$ in Millions)	(₹in crore)	(US \$ in Millions)
Bank Deposits - Under lien with Bank of India, Cayman Islands branch, USA	0.00	0.00	16.25	2.14

- p) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)- No SPV has been sponsored by the company

- q) Customers Complaints

Particulars	2022-23	2021-22
a) No. of complaints pending at the beginning of the year	0	0
b) No. of complaints received during the year	1389	2085
c) No. of complaints redressed during the year	1389	2085
d) No. of complaints pending at the end of the year	0	0

NOTES : 40 (Contd.)

- r) There are no advances outstanding for which intangible securities such as charge over the rights, licenses, authority etc. has been taken.
- s) The Company has not extended any loan/advances against gold as collateral security.
- t) There is no change in accounting policies during the financial year.
- u) The company has the system in place to process all the accounting transactions through independent IT systems. The company is in the process of implementation of ERP system and some of the modules have been operationalised during the Year 2022-23.
- v) Principal Business Criteria of HUDCO in accordance with the guidelines outlined in para 4.1.17 and para 5.3 of the Master Directions for Non-Banking Finance Companies- Housing Finance Companies (Reserve Bank) Directions, 2021, dated February 17, 2021 is as follows.

Housing Finance Company-Para 4.1.17 of NBFC-HFC (Reserve Bank) Directions 2021.

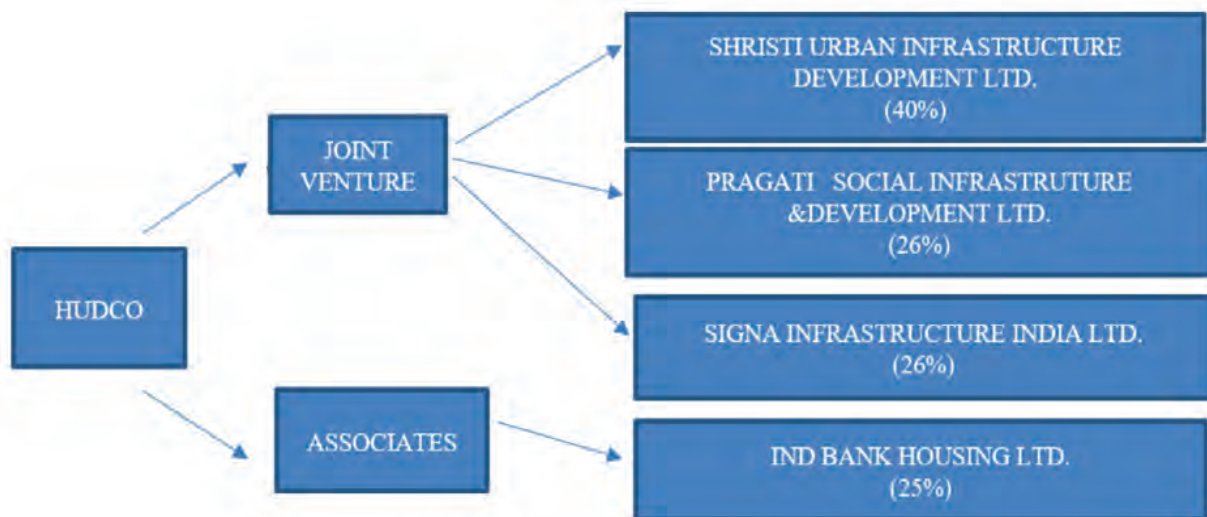
Criteria-I	NBFC	%	Limit
A	Financial Assets/Total Assets (Net of Intangible Assets) (I/IV)	99.38%	>50%
B	Income from Financial Assets/Gross Income (V/VI)	98.83%	>50%

Criteria-II	HFC	%	Limit
C	Housing Finance / Total Assets (net of Intangible Assets) (VII/IV)	54.05%	≥60%
D	Housing Finance for Individual/Total Assets (net of Intangible Assets) (VIII/IV)	0.11%	≥50%

During the computation of Principal Business Criteria, HUDCO has taken into consideration the loan assets extended under the Beneficiary Led Construction (BLC) and Extra Budgetary Resources (EBR) components. Under both these components, loans are provided for affordable housing purposes. HUDCO has classified both these components under the housing category for its book keeping purposes.

HUDCO has recently resubmitted its application to the Reserve Bank of India (RBI) for registration as NBFC-IFC. In this regard, we have submitted the certified infrastructure lending portfolio, certified by our statutory auditors, to the RBI. It is worth noting that in the certified infrastructure lending portfolio, HUDCO has categorized the loans extended under the Beneficiary Led Construction (BLC) and Extra Budgetary Resources (EBR) for affordable housing purposes only, under the Social and Commercial Infrastructure category, as per the Harmonized Master List of Infrastructure Sub-Sectors issued by the Ministry of Finance (Department of Economic Affairs).

- w) **Diagrammatic representation of Group Structure (Associates).**



NOTES : 40 (Contd.)
41) Public Disclosure on Liquidity Risk, pursuant to RBI Guidelines on Liquidity Risk Management Framework for Housing Finance Companies dated February 17, 2021
(i) Funding Concentration based on significant counterparty¹ (both deposits* and borrowings):

Number of Significant Counterparties ^{1**}	Amount (₹in Crore)	% Of Total deposits ²	% Of Total Liabilities ³
18	38,857.37	NA ^{**}	59.30%

* Total Deposits - ₹ 21.31 crore, which includes Term deposits from public of ₹1.71 crore and amount of ₹19.60 crore invested by Individuals/ HUF and Trust in the unsecured non-convertible debentures of the company with a maturity of more than one year and having subscription of less than ₹1 crore.

** The company does not have any depositor who would be eligible as significant Counter Party¹.

(ii) Top 20 Large Deposits:

As at 31.03.2023	
Amount (₹in Crore)	% Of Total deposits*
21.00 ^{**}	98.55%

* Total Deposits - ₹21.31 crore, which includes Term deposits from public of ₹1.71 crore and amount of ₹19.60 crore invested by Individuals/ HUF and Trust in the unsecured non-convertible debentures of the company with a maturity of more than one year and having subscription of less than ₹1 crore.

** There are more than one investor with same value of investment. For proper depiction, all such investors have been clubbed together and forms part of top 20 large deposits.

(iii) Top 10 borrowings:

As at 31.03.2023	
Amount (₹in Crore)	% Of Total Borrowings
33,207.57*	52.79%

*Based on size of bond issuance / term loans from banks.

(iv) Funding Concentration based on significant instrument /Product¹:

Sr. No.	Significant instrument /Product ¹	As at 31.03.2023	
		Amount (crore)	% Of Total Liabilities ³
1.	Debt Securities		
	- Tax- Free NCDs	13,977.81	21.33%
	- Taxable NCDs	34,214.28	52.22%
	Sub Total (1)	48,192.09	73.55%
2.	Borrowings (Other than Debt Securities)		
	- Refinance Facility from NHB	777.14	1.19%
	- Banking facilities (Long Term + Short Term)	13,857.65	21.15%
	Sub Total (2)	14,634.79	22.33%
	Total (1+2)	62,826.88	95.88%

NOTES : 40 (Contd.)
(v) Stock Ratios:

Sr. No.	Particulars	Amount (₹In crore)	% To total public funds	% To total liabilities	% To total assets
1.	Commercial papers	-	-	-	-
2.	Non-convertible debentures (original maturity less than 1 year)	-	-	-	-
3.	Other short-term liabilities*	7474.07	11.88%	11.41%	9.23%

* Other Short-Term Liabilities include Financial Liabilities and non-financial liabilities payable within a year (excluding Commercial Papers and Non-convertible debentures of original maturity of less than 1 year).

Notes:

1. Significant counterparty/ Significant instrument/ product is defined as single counterparty/ single instrument/ product or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.
2. "Public Deposits" are as defined in the Master Directions - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
3. Total Liabilities has been computed as sum of all financial and non-financial liabilities (extracted from the audited Standalone Financial Statements prepared as per IND-AS for the period ended March 31, 2023) and does not include equities and Reserve & Surplus.
4. "Public Funds" are as defined in Master Directions- Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, which states that "Public funds" includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue.
5. The information stated in this disclosure is based on audited Standalone Financial Statements (prepared as per IND-AS) for the period ended March 31, 2023.

42) Disclosure on Liquidity Coverage Ratio
Qualitative Disclosure:

Institutional set-up for the Liquidity Risk Management: HUDCO has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that there is a robust system of risk controls and mitigation in place. HUDCO has a well-structured robust Risk Management Policy and Operating Manual in line with its objectives to address the various risks.

In compliance with the SEBI (LODR) Regulations, 2015, HUDCO has in place a Board Level Committee under the nomenclature 'Risk Management Committee' (RMC) headed by an Independent Government Nominee Director, which reviews various decisions/ recommendations of the three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

The Risk Management Committee (RMC), which is a committee of the Board, is responsible for evaluating and monitoring the integrated risk management system of the Company including liquidity risk. The ALCO is responsible for ensuring adherence to the liquidity risk tolerance/limits set out in the board approved Asset Liability Management (ALM) policy. The role of the ALCO with respect to liquidity risk includes, inter alia, decision on desired maturity profile for assets & liabilities, responsibilities and controls for managing liquidity risk, and overseeing the liquidity position of the company. The ALM Policy is reviewed periodically to realign the same pursuant to any regulatory changes in the economic landscape or business needs and tabled

NOTES : 40 (Contd.)

to the Board for approval.

Management regularly reviews the position of cash and cash equivalents by aligning the same with the projected maturity of financial assets and financial liabilities, economic environment, liquidity position in the financial market, anticipated pipeline of future borrowing & future liabilities and threshold of minimum liquidity defined in the ALM policy with additional liquidity buffers as management overlay

The Liquidity Coverage Ratio (LCR) is a global minimum standard to measure the Company's liquidity position. The Reserve Bank of India (RBI), vide its Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, dated February 17, 2021, introduced the LCR requirement for all non-deposit-taking HFCs with an asset size of ₹ 10,000 crore and above and all deposit taking HFCs irrespective of their asset size as per the following timeline:

From	December 01, 2021	December 01, 2022	December 01, 2023	December 01, 2024	December 01, 2025
Minimum LCR	50%	60%	70%	85%	100%

Hence, the company is required to maintain minimum LCR of 50% w.e.f December 01, 2021.

Further, the aforementioned Master Direction states that the guidelines on Liquidity Risk Management Framework prescribed for NBFCs by the RBI vide its Master Direction - Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, dated September 01, 2016 shall apply mutatis mutandis to Housing Finance Companies (HFCs).

As per the said guidelines, the Company shall maintain an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 calendar-day time horizon under a significantly severe liquidity stress scenario. "HQLA" means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. "Unencumbered" means free of legal, regulatory, contractual or other restrictions on the ability of the NBFC to liquidate, sell, transfer or assign the asset. Assets to be included in the computation of HQLAs are those that the NBFC is holding on the first day of the stress period. Such assets shall be valued at an amount not greater than their current market value for the purpose of computing the LCR. Depending upon the nature of assets, they have been assigned different haircuts, which are to be applied while calculating the HQLA for the purpose of calculation of LCR.

In order to determine HQLA, the company considers Fixed Deposits which are maintained with Scheduled Commercial Banks owing to the fact that it bears 0% haircut. As a matter of prudence for the purpose of maintenance of LCR, highest level of HQLA requirement in the forthcoming 7 days is considered on continuous basis by the company.

Liquidity Coverage Ratio (LCR) is represented by the following ratio:

$$\frac{\text{Stock of High Quality Liquid Assets (HQLAs)}}{\text{Total Net Cash Outflows over the next 30 calendar days}}$$

In order to determine Net Cash Outflows, the Company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to underflow). However, total cash inflows will be subjected to an aggregate cap of 75% of total expected cash outflows. In other words:

Total Net Cash Outflows over the next 30 days = Stressed Outflows – Lower of (Stressed Inflows or 75% of Stressed Outflows).

One of the components of cash outflow of this disclosure includes Other Contractual Funding Obligations, which, inter alia, includes payment of taxes and dividend paid by the company.

The Company computes the LCR and reports the same to the Asset Liability Management Committee (ALCO) every month for review and approval.

NOTES : 40 (Contd.)
Quantitative Disclosure

High Quality Liquid Assets	Quarter 1 (April 2022 to June 2022)		Quarter 2 (July 2022 to September 2022)		Quarter 3 (October 2022 to December 2022)		Quarter 4 (January 2023 to March 2023)	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
Total High Quality Liquid Assets (HQLA)	381.99	381.99	311.42	311.42	342.84	342.84	451.55	451.55
Cash Outflows								
Deposits (For Deposit Taking Companies)	0.24	0.28	0.26	0.30	0.10	0.11	0.27	0.31
Unsecured Wholesale Funding	2,492.56	2,866.45	1,548.93	1,781.27	1,219.19	1,402.07	755.22	868.5
Secured Wholesale Funding	29.89	34.37	70.13	80.65	169.68	195.13	994.68	1,143.88
Additional Requirements, Of Which								
Outflows Related To Derivative Exposures And Other Collateral Requirements	-	-	-	-	-	-	-	-
Outflows Related To Loss Of Funding On Debt Products	-	-	-	-	-	-	-	-
Credit And Liquidity Facilities	-	-	-	-	-	-	-	-
Other Contractual Funding Obligations	20.00	23.00	21.36	21.36	20.00	23.00	25.47	29.29
Other Contingent Funding Obligations	2.53	2.91	3.00	3.00	3.00	3.45	3.00	3.45
TOTAL CASH OUTFLOWS	2,545.22	2,927.00	1,643.67	1,890.23	1,411.97	1,623.76	1,778.64	2,045.43
Cash Inflows								
Secured Lending	914.82	686.11	1,055.21	791.41	917.47	688.11	1,090.71	818.03
Inflows From Fully Performing Exposures	-	-	-	-	-	-	-	-
Other Cash Inflows	9,656.3	7,242.22	11,090.21	8,317.66	9,611.91	7,208.93	10,221.7	7,666.27
Total Cash Inflows	10,571.12	7,928.34	12,145.42	9,109.07	10,529.38	7,897.04	11,312.41	8,484.3
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
Total HQLA		381.99		311.42		342.84		451.55
Total Net Cash Outflows		731.75		472.56		405.94		511.36
Liquidity Coverage Ratio (%)		52.20%		65.90%		84.46%		88.30%

NOTES : 40 (Contd.)

Notes:

1. Unweighted values calculated as outstanding balances maturing or callable within 30 days (for Cash Inflows and Cash Outflows).
2. Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors (on Cash Inflow/ Cash Outflow).
3. The average unweighted and weighted amounts are calculated taking simple averages of daily observations.

43) Annexure III as per RBI

Schedule to the Balance Sheet of HUDCO (As at 31.03.2023)

(₹ in Crore)

Particulars		Amount outstanding	Amount overdue
Liabilities side			
1	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures:		
	Secured	13,977.80	-
	Unsecured	34,214.28	-
	(Other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term loans	14,711.28	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial paper	-	-
	(f) Public Deposits	1.71	-
	(g) Other Loans	-	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	1.71	-
Assets Side		Amount outstanding	
3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		81,647.38
	(b) Unsecured		20.80
4	Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial lease		-
	(b) Operating lease		-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		-
	(b) Repossessed Assets		-

NOTES : 40 (Contd.)

	(iii)	Other loans counting towards asset financing activities	
		(a) Loans where assets have been repossessed	-
		(b) Loans other than (a) above	-
5		Break up of investments	
		Current Investments	
	1.	Quoted	
		(i) Shares	
		Equity	-
		Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	367.68
		(v) Others (please specify)	-
	2.	Unquoted	
		(i) Shares	
		Equity	-
		Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-
		Short Term Deposits (INR)	-
		Commercial Papers (Impairment fully provided)	-
		Long Term investments	
		Quoted	
		(i) Shares	
		Equity	0.10
		Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	50.00
		(iv) Government Securities	-
		(v) Others (please specify)	-
		Unquoted	
		(i) Shares	46.65
		Equity	
		Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-

NOTES : 40 (Contd.)

Borrower group-wise classification of assets financed as in (3) and (4) above

6	Category	Amount (Net of Provisions) (₹ in Crore)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2	Other than related parties	79,227.76	9.21	79,236.97
	Total	79,227.76	9.21	79,236.97
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Category	Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)	
1	Related Parties			
	(a) Subsidiaries	-		-
	(b) Companies in the same group	2.00		2.00
	(c) Other related parties	-		-
2	Other than related parties	629.37		462.43
	Total	631.37		464.43
8	Other Information			
	Particulars	Amount (₹ in Crore)		
(i)	Gross Non-Performing Assets			
	(a) Related Parties			-
	(b) Other than related parties			2,759.17
(ii)	Net Non-Performing Assets			
	(a) Related Parties			
	(b) Other than related parties			407.25
(iii)	Assets acquired in satisfaction of debt			-

Schedule to the Balance Sheet of HUDCO
(As at 31.03.2022)

(₹ in Crore)

Particulars		Amount outstanding	Amount overdue
Liabilities side			
1	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures:		
	Secured	14,993.99	-
	Unsecured	39,456.18	-
	(Other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term loans	7,048.96	-
	(d) Inter-corporate loans and borrowing	-	-

NOTES : 40 (Contd.)

	(e) Commercial paper	-	-
	(f) Public Deposits	3.90	-
	(g) Other Loans	-	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	3.90	-
	Assets Side		Amount outstanding
3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		79,119.83
	(b) Unsecured		374.47
4	Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial lease		-
	(b) Operating lease		-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed		-
	(b) Loans other than (a) above		-
5	Break up of investments		
	Current Investments		
	1. Quoted		
	(i) Shares		
	Equity		-
	Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. Unquoted		
	(i) Shares		
	Equity		-
	Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-

NOTES : 40 (Contd.)

	(iv) Government Securities	2.75
	(v) Others (please specify)	-
	Short Term Deposits (INR)	-
	Commercial Papers (Impairment fully provided)	-
	Long Term investments	
	Quoted	
	(i) Shares	-
	Equity	0.10
	Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	50.00
	(iv) Government Securities	-
	(v) Others (please specify)	-
	Unquoted	
	(i) Shares	-
	Equity	46.65
	Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

Borrower group-wise classification of assets financed as in (3) and (4) above

6	Category	Amount (Net of Provisions) (₹ in Crore)		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	0.05	0.05
2	Other than related parties	76,978.86	11.01	76,989.87
	Total	76,978.86	11.06	76,989.92
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Category	Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)	
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	2.00	2.00	
	(c) Other related parties	-	-	
2	Other than related parties	256.70	97.50	
	Total	258.70	99.50	

NOTES : 40 (Contd.)

8	Other Information		
	Particulars		Amount (₹ in Crore)
	(i)	Gross Non-Performing Assets	
		(a) Related Parties	-
		(b) Other than related parties	2,809.21
	(ii)	Net Non-Performing Assets	
		(a) Related Parties	-
		(b) Other than related parties	387.79
	(iii)	Assets acquired in satisfaction of debt	-

44) Relationship with Struck-off Companies

S. No.	Name of the Struck-off Company	Nature of transactions with Struck-off Company	Balance Outstanding as on 31.03.2023	Relationship with the Struck-off Company, if any, to be disclosed
1)	Intra Consolid (India) Limited	Investments in securities	₹ 10 Lacs and 100% Provision made in the books and Shown as Re 1 in the books.	Shareholder Of the company
2)	Periwal Bricks Limited		₹ 10 Lacs and 100% Provision made in the books and Shown as Re 1 in the books.	
3)	Chesterton Meghraj Property Consultants Pvt Ltd.	Payables	50,050.00	Consultant
4)	Vishwanirmal Merchandise and Consumer Products Private Limited	Investment in Bonds	₹ 32 Lacs	Bondholder of the Company

Note: The exercise to trace the relationship of the company with the struck off companies, has been carried out in-house, and to the best of knowledge and understanding three agencies have been traced where name has been struck off by MCA under Companies Act 2013

45) Disclosure on Corporate Social Responsibility (CSR) Activity.
(₹ in Crore)

S.No.	Particulars	2022-23	2021-22
a	Amount required to be spent	44.98	41.99
b	Amount of expenditure incurred.	3.207(\$)	29.47
c	Shortfall at the end of the year	18.30	16.99
d	Total of previous years shortfall	15.56	30.68
e	Reason for shortfall	During the year 2022-23, the company has approved CSR assistance of ₹26.68 crore for 19 proposals in various states, however no expenditure could be incurred in these proposals as most of the proposals were approved in the last quarter of financial year and concerned agencies are in process of completion of documentation formalities and preparatory works for execution of works e.g finalization of tender etc. and accordingly the amount has been transferred to "Unspent CSR Account" in accordance with Companies Act CSR Amendment Rules 2021 and balance unspent amount of ₹18.30 crore shall be contributed in to one of funds identified under schedule VII before 30.09.2023	

NOTES : 40 (Contd.)

S.No.	Particulars	2022-23	2021-22
f	Nature of CSR activities	Sanitation, Solid Waste Management, School Education, Health Care, Drinking Water and Rural Development Projects etc.	
g	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR activities as per relevant accounting standard.	Nil	
h	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	

(\$)-for the on going scheme sanctioned Prior to 31.3.2021**46) Additional information**

- I. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under, as at March 31, 2023 and March 31, 2022.
- II. The Company is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2023 and March 31, 2022.
- III. There was no delay in the registration or satisfaction of any charges with Registrar of Companies during the year ended March 31, 2023 and March 31, 2022.
- IV. The company does not have any investment in any subsidiary company. Therefore, there is no requirement to comply with the number of layers prescribed under clause (87) of section 2 of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- V. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022
- VI. There are no undisclosed incomes that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- VII. Analytical Ratios
 - a. Capital to Risk-weighted Assets Ratio: -Refer note no. 34
 - b. Liquidity Coverage Ratio: -Refer note no.41

- 47)** (a) Figures of the previous period have been regrouped/ rearranged/ re-casted wherever considered necessary to make them comparable with figures for current year.
- (b) Figures in rupees have been rounded off to crore without decimals except where specifically indicated.

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN: 03276525

As per our separate report of even date attached
For A P R A & Associates LLP
Chartered Accountants
FRN- 011078N/N500064

Place: New Delhi
Date: 26th May, 2023

Sd/-
Arun Kumar Gupta
Partner
(M. No.- 089657)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Housing and Urban Development Corporation Limited (hereinafter referred to as the 'the Company') and of its associate (collectively known as "Consolidating Company"), which comprise of the Consolidated Balance Sheet as at 31st March, 2023 and the Consolidated Statement of Profit and Loss (including other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flows statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the company and its associate as at 31st March, 2023, of Consolidated Profit and Total Consolidated Comprehensive Income, Consolidated Changes in equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the company and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence, we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matter:

4. We draw attention to the following matter in the Notes to the Consolidated Financial Statements:

The company has recognized interest income on "No Lien AGP Account" amounting to Rs 28.51 crore Rs [28.02 crore for the previous year ended 31st March 2022] for the year ended 31st March 2023. The same has been shown in Note 28 (Other Income) under head 'Interest on Construction Project'.

The balance outstanding as at the end of the year is Rs 558.97 crore (debit) (Rs 526.27 crore for the previous year ended 31st March 2022) in "No Lien AGP Account". The company is in discussion with MoHUA for recovery/reimbursement of outstanding amount including interest as well as booking of expenses. [Refer Para 3 of Note 40]

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Other Information

6. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Consolidated Financial Statements and our Auditor's Report thereon. The Annual report for the year ending 31st March 2023 is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

7. The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33, Regulation 52 and Regulation 54 of the Listing Regulations.
8. The respective Board of Directors of the company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are responsible and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.
9. In preparing the Consolidated Financial Statements, the respective Board of Directors of the company and of its associate are responsible for assessing the ability of the Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the company and of its associate are responsible for overseeing the financial reporting process of the group and of its associate.

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

11. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal controls.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Statements representing the underlying transactions and events in a manner that achieves fair presentation.
 - Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company and of its associate to express an opinion on the Consolidated Financial Statements.

13. We communicate with those charged with governance of the company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our Independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. The Consolidated Financial Statements also include the Group's share of net loss of Rs 0.05 Crore for the year ended 31st March, 2023, as considered in the Consolidated Financial Statements, in respect of one associate, whose financial statements/ information have not been audited by us. These financial statements are unaudited and have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate is based solely on such unaudited financial statements / financial information. In our opinion and according to the Information and explanation give to us by the management, these financial statements/ financial information are not material to the Consolidating Company.

Our opinion on the Consolidated Financial Statements, and our report on other legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial statements/financial information certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 143(3) of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and our reliance on the Consolidated Financial Statements /financial information certified by the management of the company.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and loss, and the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purposes of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standard specified under Section 133 of the Act.
 - e) The provisions of Section 164(2) of the Companies Act, 2013 in respect of disqualifications of directors are not applicable to the Company being Government Company in terms of Notification no. G.S.R. 463(E) dated 5th June,2015 issued by the Ministry of Corporate affairs.
 - f) With respect of the adequacy of the Internal Financial Controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure 'A'; and
 - g) As per notification number G.S.R 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, Section 197 of the Act regarding remuneration to Director is not applicable to the Company, since it is a Government Company; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group and its associate **(Refer Para 2 (a) of Note 40 to Consolidated Financial Statement)**.
 - ii) The Company does not have any material foreseeable losses, if any, on long terms contracts including derivative contracts; **(Refer Para 40(d) of Note 40 to Consolidated Financial Statements)**.
 - iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. However, in case of associate company, incorporated in India, the same can't be commented in view of non-availability of Audited Accounts **(Refer Para 17 of Note 40 to Consolidated Financial Statements)**.

- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in management representations, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (the Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, as disclosed in management representations, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under Sub-clauses (a) and (b) above contain any material misstatement.
- v. As stated in Note no. 40 (29) to the Consolidated Financial Statements:
- a). The final dividend proposed for the previous year, declared and paid by the company during the year is in compliance with Section 123 of the companies Act, 2013, as applicable.
- b). The interim dividend declared and paid by the company during the year and until the date of this report is in compliance with Section 123 of the companies Act, 2013.
- c). The Board of director of the company have proposed final dividend for the year which is subject to the approval of the member at the ensuring Annual General Meeting. The amount of the dividend proposed is in accordance with Section 123 of the companies Act, 2013, as applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 is not applicable for the Financial Year ended March 31, 2023.

NHB/RBI Directions

18. The Company is complying with **National Housing Bank's (NHB)/ Reserve Bank of India's (RBI)** Credit Concentration Norms in respect of loans to Private Sector Agencies. However, in case of loans to State Governments / State Governments Agencies/Central Government Agencies , the said norms have been relaxed by the **NHB/RBI** vide various letters (**Refer Para no. 15 of Note No. 40 to Consolidated Financial Statements**); the same is complied with except in case of Investment in equity shares of Housing Finance Company-Ind bank Housing Limited (**Investee company**) where investment in **25%** of equity capital of Investee Company has been made instead of prescribed limit of **15%**.

For A P R A & Associates LLP
Chartered Accountants
(Firm Registration No. 011078N / N500064)

Sd/-
Arun Kumar Gupta
Partner

(Membership No.089657)

UDIN:23089657BGUFSF1838

Place : New Delhi

Date : 26th May, 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31st, 2023

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

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31st, 2023, we have audited the internal financial controls over financial reporting of **HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED** (‘the Company’) and of its associate, which is a company incorporated in India, as of that date (hereinafter referred to as “**Consolidating Company**”).

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

3. Our responsibility is to express an opinion on the Consolidating Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence, we have obtained and subject to the limitation regarding the financial statements/ financial information of the associate entity being unaudited and have been furnished to us by the Management, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following deficiencies have been identified as at March 31st, 2023

1. The company needs to revise the terms in relation to the refundable security deposits for the operating leases on investment properties. The security deposit needs to be increased in the same proportion as the increase in property rent. In absence of the same, security deposit for some of the investment properties are inadequate to cover 3 month's rent as per the agreed terms.
(The internal auditor of the company has also pointed out the above in their report.)
2. It has been identified in respect of entity level controls as well as financial closure processes with regard to reconciliations of various accounts carrying old credit/debit balances and supervision and monitoring of flow of information to/from Regional Offices/outsourced agencies to Corporate Office, necessary for financial closure and reporting leading to deficiencies in operating effectiveness of the Company's Internal Financial Controls with reference to Consolidated Financial Statements as at March 31, 2023.
3. The company need to strengthen its internal financial controls regarding fixed assets identification/ physical verification process/ Insurance of all its fixed assets. The company need to ensure that fixed assets records/registers are regularly updated with the asset identification numbers and are properly insured.
4. The company needs to strengthen the record keeping and reconciliation between books of accounts and GST returns. Backup Data relating to GST input tax credit and Reconciliation thereof with GSTR 2B has not been made available to us in respect of all Regional offices and HSMI.
5. The company needs to strengthen its financial control regarding the review and follow up of the terms of leased properties. Lease agreements for a period exceeding 11 months should be registered with Registrar of properties as per the provisions of Section 17 of the Registration Act 1908 and appropriate stamp duty should be paid in terms of Indian Stamp Act 1899.
In some cases it is found that lease deed for a period more than as prescribed for registration is not so registered and appropriate stamp duty not paid. Also the lease deeds are not renewed effectively in time.
6. Revised Consolidated Policy for Valuation of Properties/ Securities and Empanelment of Valuer came into effect from 31st January 2018. As per this revised policy, in the case of Project loans which are standard assets, valuation has to be done once in 5 years by the empanelled Independent valuer. And for sub-standard assets on an annual basis where 100% provisioning has not been made. As per the revised policy, valuation should be obtained from minimum 2 Independent valuers in the cases where loan amount is Rs 75 lakhs or more. Lower of the two to be considered for the purpose of valuing the security of the loan. It has come to our knowledge that valuation reports have not been obtained as per the revised policy in few cases.

In our opinion considering nature of business, size of operation and organizational structure of the entity, except for the effects/ possible effects of the deficiencies described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31st, 2023, based the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the deficiencies identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31st, 2023, and these deficiencies does not affect our opinion on the consolidated financial statements of the Company.

However, in case of its associate, which is company incorporated in India, where the financial statements/ financial information are unaudited and certified by the Management, we are not in a position to offer our comments on the adequacy and operating effectiveness of internal financial control over financial reporting of the said associate.

For A P R A & Associates LLP
Chartered Accountants
(Firm Registration No. 011078N / N500064)

Sd/-
Arun Kumar Gupta
Partner
(Membership No.089657)
UDIN:23089657BGUFSF1838

Place : New Delhi

Date : 26th May, 2023

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(₹ in crore)

S. No.	PARTICULARS	NOTE No.	As at 31 st March, 2023	As at 31 st March, 2022
I	ASSETS			
1	Financial Assets			
(a)	Cash and Cash Equivalents	6	47.83	559.99
(b)	Bank Balance other than (a) above	7	21.02	83.94
(c)	Derivative Financial Instruments	8	0.02	0.32
(d)	Receivables			
	- Trade Receivables		1.38	7.16
	- Other Receivables	9	0.53	1.92
(e)	Loans	10	79,236.97	76,989.92
(f)	Investments	11	629.37	256.71
(g)	Investment in Associate	11	0.31	0.50
(h)	Other Financial Assets	12	587.20	534.96
	Sub Total (1)		80,524.63	78,435.42
2	Non-Financial Assets			
(a)	Current Tax Assets (Net)	13	-	-
(b)	Investment Property	14A	20.47	17.65
(c)	Property, Plant and Equipment	14B	61.92	74.38
(d)	Capital Work-in-Progress	14C	17.48	17.26
(e)	Intangible Assets under Development	14D	2.01	8.14
(f)	Other Intangible Assets	14E	7.48	1.09
(g)	Other Non-Financial Assets	15	335.28	339.73
	Sub Total (2)		444.64	458.25
	TOTAL ASSETS (1+2)		80,969.27	78,893.67
II	LIABILITIES AND EQUITY			
A	Liabilities			
1	Financial Liabilities			
(a)	Derivative Financial Instruments		-	-
(b)	Payables			
(i)	Trade Payable			
	- Total outstanding dues of MSME		-	-
	- Total outstanding dues of creditors other than MSME	16	0.05	0.09
(ii)	Other Payables			
	- Total outstanding dues of MSME		0.20	0.29
	- Total outstanding dues of creditors other than MSME		7.69	9.26
(c)	Debt Securities	17	48,192.09	54,450.18
(d)	Borrowings	18	14,711.28	7,048.96
(e)	Deposits	19	1.71	3.90
(f)	Other Financial Liabilities	20	1,203.75	1,643.91
	Sub Total (A-1)		64,116.77	63,156.59
2	Non-Financial Liabilities			
(a)	Current Tax Liabilities (Net)	13	14.56	7.51
(b)	Provisions	21	342.52	339.44
(c)	Deferred Tax Liabilities (Net)	22	1,006.12	843.61
(d)	Other Non-Financial Liabilities	23	45.74	79.70
	Sub Total (A-2)		1,408.94	1,270.26
	Sub Total (A)		65,525.71	64,426.85
B	Equity			
(a)	Equity Share Capital	24	2,001.90	2,001.90
(b)	Other Equity	25	13,441.66	12,464.92
	Sub Total (B)		15,443.56	14,466.82
	TOTAL LIABILITIES AND EQUITY (A+B)		80,969.27	78,893.67
Note to Accounts		1 to 40		
Note: The Notes referred to above form an integral part of the Financial Statements				

For and on behalf of the Board of Directors

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN 03276525

As per our separate report of even date attached
For A P R A & Associates LLP
Chartered Accountants
FRN- 011078N/N500064

Place: New Delhi
Date: 26th May, 2023

Sd/-
Arun Kumar Gupta
Partner
(M. No.- 089657)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023

(₹ in crore)

S.No.	PARTICULARS	NOTE No.	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
I	INCOME			
A	Revenue from Operations			
(a)	Interest Income	26	6,983.44	6,888.05
(b)	Dividend Income	40(8)	0.06	0.08
(c)	Rental Income	14A	54.18	49.04
(d)	Fees and Commission Income	35	2.66	2.57
(e)	Net Gain on Fair Value changes	27	7.46	12.31
(f)	Sale of Services	35	1.66	2.03
	Total Revenue from Operations (A)		7,049.46	6,954.08
B	Other Income	28	36.72	43.58
	Total Income I (A+B)		7,086.18	6,997.66
II	EXPENSES			
(a)	Finance Cost	29	4,507.08	4,532.53
(b)	Fees and Commission Expense	40(22)	2.13	2.24
(c)	Net Loss on Fair Value Changes	27	-	-
(d)	Impairment on Financial Instruments	30	(73.69)	(245.66)
(e)	Employee Benefit Expense	31	186.62	218.09
(f)	Depreciation, Amortization & Impairment	14A, B&E	11.31	7.90
(g)	Corporate Social Responsibilities	40(37)	44.98	46.95
(h)	Other Expenses	32	118.34	89.67
	Total Expenses II		4,796.77	4,651.72
III	Profit/ (Loss) Before Tax and share of profit/(Loss) in Associate (I-II)		2,289.41	2,345.94
IV	Share of profit/(Loss) of Associate(Net of Tax)		(0.19)	(0.19)
V	Profit/(Loss) before Tax(III-IV)		2,289.22	2,345.75
VI	Tax Expense:	38		
(i)	Current Tax		435.00	419.00
(ii)	Deferred Tax		154.19	210.58
(iii)	Adjustment of tax of earlier years (Net)		(1.40)	(0.24)
	Total Tax Expenses VI (i+ii+iii)		587.79	629.34
VII	Profit/ (Loss) for the Period		1,701.43	1,716.41
VIII	Other Comprehensive Income			
A (i)	Items that will not be reclassified to profit or loss (specify items and amounts)			
	Re-measurement gains (losses) on defined benefit plans		33.06	(2.57)
(ii)	Income tax relating to items that will not be reclassified to profit or loss		(8.32)	0.65
	Sub-total (A)		24.74	(1.92)
B (i)	Items that will be reclassified to profit and loss (specify items and amounts)		-	-
(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
	Sub-total (B)		-	-
	Other Comprehensive Income (A + B)		24.74	(1.92)
IX	Total Comprehensive Income for the period		1,726.17	1,714.49
	Earnings per equity share (for continuing operations)			
	Basic (₹)		8.50	8.57
	Diluted (₹)		8.50	8.57
Note to Accounts		1 to 40		
Note: The Notes referred to above form an integral part of the Financial Statements				

For and on behalf of the Board of Directors

 Sd/
Harish Kumar Sharma
Company Secretary
ACS 6557

 Sd/
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

 Sd/
M. Nagaraj
Director Corporate Planning
DIN 05184848

 Sd/
Kuldip Narayan
Chairman & Managing Director
DIN 03276525

 As per our separate report of even date attached
For A P R A & Associates LLP
Chartered Accountants
FRN- 011078N/N500064

 Place: New Delhi
Date: 26th May, 2023

 Sd/
Arun Kumar Gupta
Partner
(M. No. - 089657)

STATEMENT OF CHANGES IN EQUITY

(A) EQUITY SHARE CAPITAL

(1). FOR THE FINANCIAL YEAR 2022-2023

	(₹ in crore)	
	2001.90	2001.90
Balance at the beginning of the current reporting period i.e. 01.04.2022	0.00	Balance at the end of the current reporting period i.e. 31.03.2023
Changes in Equity Share Capital due to prior period error	0.00	0.00
Changes in equity share capital during the current year	0.00	0.00
Restated balance at the beginning of the current reporting period	0.00	0.00
Restated balance at the end of the current reporting period i.e. 31.03.2023	0.00	0.00

(2). FOR THE FINANCIAL YEAR 2021-2022

	(₹ in crore)	
	2001.90	2001.90
Balance at the beginning of the Previous reporting period i.e. 01.04.2021	0.00	Balance at the end of the Previous reporting period i.e. 31.03.2022
Changes in Equity Share Capital due to prior period error	0.00	0.00
Changes in equity share capital during the Previous year	0.00	0.00
Restated balance at the beginning of the Previous reporting period	0.00	0.00
Restated balance at the end of the Previous reporting period i.e. 31.03.2022	0.00	0.00

(B) OTHER EQUITY

S. No.	Particulars	Share Application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium (Bonds)	Reserves and Surplus						Retained Earning Surplus	Money received against share warrants	Total
						Debtenture/ Bond Redemption Reserve**	Special Reserve ***	Special Reserve *** U/S 29C	Special Reserve #	Capital Reserve (KtW) Reserve	Other Reserves			
1	Balance as at 1 st April, 2022			1.26	3,125.18	5,735.19	-	221.98	59.96	72.07	209.00	2,487.84	552.43	12,464.92
	Final Dividend for 2021-22												(550.52)	(550.52)
	Profit during FY 2022-23												1,701.43	1,701.43
	Other Comprehensive Income for the year 2022-23												24.74	24.74
	Total Comprehensive Income for the year 2022-23												1,726.17	1,726.17
	Transferred to from Surplus to General Reserve												-	-
	Transferred to from Surplus to Impairment Reserve					67.88							(67.88)	-
	Transferred from Surplus to DRR				280.63								(280.63)	-
	Transferred from Surplus to Reserve for Bad & Doubtful Debt									105.00			(105.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver									(48.77)			-	(48.77)
	Transferred from Surplus to Special Reserve					500.00							(500.00)	-
	Transferred to General Reserve				(508.86)							508.86	-	-
	Interim Dividend during FY 2022-23												(150.14)	(150.14)
2	Balance as at 31 st March, 2023			1.26	2,896.95	6,235.19	-	289.86	59.96	72.07	265.23	2,996.70	624.43	13,441.66

S. No.	Particulars	Share Application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium (Bonds)	Reserves and Surplus						Money received against share warrants	Total		
						Debtenture/Bond Redemption Reserve**	Special Reserve ***	Special Reserve *** u/s 29C	Impairment Reserve#	Capital (KfW) Reserve	Welfare Reserve			Reserve for Bad & Doubtful Debt	General Reserve
3	Balance as at 1 st April, 2021 Less: Impairment in Investment in Associates			1.26		3,876.87	5,235.19	-	161.81	59.96	72.07	89.00	1,405.08 (0.44)	285.03	11,185.84
	Final Dividend for 2020-21														(285.27)
	Profit during FY 2021-22														1,716.41
	Other Comprehensive Income for the year 2021-22														(1.92)
	Total Comprehensive Income for the year 2021-22														1,714.49
	Transferred to/from Surplus to General Reserve														-
	Transferred to/from Surplus to Impairment Reserve								60.17						(60.17)
	Transferred from Surplus to DRR														(331.51)
	Transferred from Surplus to Reserve for Bad & Doubtful Debt										120.00				(120.00)
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver														-
	Transferred from Surplus to Special Reserve						500.00								(500.00)
	Transferred to General Reserve												1,083.20		-
	Interim Dividend during FY 2021-22														(150.14)
4	Balance as at 31st March, 2022			1.26		3,125.18	5,735.19	-	221.98	59.96	72.07	209.00	2,487.84	552.43	12,464.92

* Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement.

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

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

*** Created u/s 36(1) (viii) of the Income Tax Act, 1961 and u/s 29C of NHB Act, 1987 (upto Financial Year 1996-97) amounting to ₹ 181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 (from Financial Year 1997-98 onwards) amounting to ₹ 6053.44 crore.

Refer Point no. 5 of Explanatory Note 40.

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

For and on behalf of the Board of Directors

Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN 03276525

As per our separate report of even date attached
For A P R A & Associates LLP
Chartered Accountants
FRN- 011078/N/NS00064

Sd/-
Arun Kumar Gupta
Partner
(M. No.- 089657)

Place: New Delhi
Date: 26th May, 2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

(₹ in crore)

S. No.	Particulars	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
A	Operating activities		
	Profit before tax	2,289.22	2,345.75
	Adjustments to reconcile profit before tax to net cash flows:		
(i)	Depreciation & amortisation	11.31	7.90
(ii)	Impairment on financial instruments	(73.69)	(245.66)
(iii)	Unrealised foreign exchange gain/loss and EIR on borrowings	10.45	8.93
(iv)	Unrealised loss/ (gain) on investment held for trading & derivatives	(7.75)	(12.65)
(v)	Change in the fair value of hedged item	0.29	0.34
(vi)	Dividend income	(0.06)	(0.08)
(vii)	Interest on investments	(14.34)	(0.24)
(viii)	Provision for employee benefits and CSR	36.14	4.04
(ix)	Provision for Interest under Income Tax Act	0.60	0.50
(x)	Loss/ (Profit) on sale of Fixed Assets (Net)	(0.07)	(0.01)
(xi)	EIR on Advances	5.49	7.16
(xii)	Discounting of security deposit and deposit for services	(0.02)	(0.01)
(xiii)	Discounting of Interest Income on Staff Advances	(2.13)	(2.61)
(xiv)	Discounting of Employee cost of Staff advances	1.93	2.35
	Operating Profit before Working capital changes	2,257.37	2,115.71
	Working capital changes		
(i)	Loans	(2,228.13)	(2,455.65)
(ii)	Trade receivables, financial and non-financial assets	23.07	38.03
(iii)	Liabilities and provisions	(481.94)	(92.03)
	Sub Total	(2,687.00)	(2,509.65)
	Income tax paid (Net of refunds)	(421.04)	(411.99)
	Net cash flows from/(used in) operating activities - A	(850.67)	(805.93)
B	Investing activities		
(i)	Purchase of fixed and intangible assets	(2.27)	(6.41)
(ii)	Proceeds from sale of property and equipment	0.18	0.16
(iii)	Investments at fair value through Profit and Loss	(350.57)	5.24
(iv)	Dividend received	0.06	0.08
	Net cash flows from/(used in) investing activities - B	(352.60)	(0.93)
C	Financing activities		
(i)	Change in borrowings	1,391.59	516.15
(ii)	Dividends paid including DDT	(700.67)	(435.42)
	Net cash flows from financing activities - C	690.92	80.73
D	Net increase in cash and cash equivalents A+B+C	(512.16)	(726.13)
	Cash and cash equivalents at Beginning of year	559.99	1,286.12
	Cash and cash equivalents at the end of year	47.83	559.99
Components of Cash & Cash Equivalents			
A	Cash & Cash Equivalents		
(i)	Cash & Revenue Stamps in hand	-	-
(ii)	Imprest	-	-
(iii)	Bank Deposits (3 months and less than 3 months)*	5.12	333.73
(iv)	Balances in Current Account with		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks*	42.69	226.24
	- Demand Drafts in hand	-	-
	Total	47.83	559.99

* Earmarked balances in cash & cash equivalents are ₹ 34.07 crore (previous year ₹ 186.53 crore)

Note: Cash Flows has been prepared using Indirect Method whereby profit for the year is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. Cash flows are separated into operating, investing and financing activities.

For and on behalf of the Board of Directors

Sd/-
Harish Kumar Sharma
Company Secretary
ACS 6557

Sd/-
D. Guhan
Director Finance & Chief Financial Officer
DIN 06757569

Sd/-
M. Nagaraj
Director Corporate Planning
DIN 05184848

Sd/-
Kuldip Narayan
Chairman & Managing Director
DIN 03276525

As per our separate report of even date attached
For A P R A & Associates LLP
Chartered Accountants
FRN- 011078N/N500064

Place: New Delhi
Date: 26th May, 2023

Sd/-
Arun Kumar Gupta
Partner
(M. No.- 089657)

Notes Forming Part of Accounts

1. Corporate information

Housing and Urban Development Corporation Limited is a listed public limited company (Government of India undertaking) domiciled in India and incorporated on 25th April, 1970 under the provisions of Companies Act, 1956. The Company's registered office is at Core 7A, HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi - 110003. The Company is a Housing Finance Company ('HFC') registered with the National Housing Bank ('NHB'). The Company is primarily engaged in the business of financing Housing and Urban development activities in the country.

The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB. RBI has issued notification dated October 22, 2020, on regulatory framework for HFCs, by which the definition of HFCs has undergone a change. HUDCO had submitted application to RBI on 29th March, 2022 to convert from HFC to NBFC- IFC. In reference thereof, RBI vide letter dated December 22, 2022 expressed its inability to accede to HUDCO's request for conversion of certificate of registration (CoR) to an NBFC-IFC owing to non-fulfilment of certain condition of RBI Master Directions for NBFCs. After detailed deliberation and ensuring compliance with the RBI Master Directions for NBFCs, HUDCO has resubmitted the application with necessary documents with RBI for conversion of certificate as NBFC-IFC on February 22, 2023. In view of the above, the management reckons to receive the said approval from RBI in FY 2023-24. Till such time HUDCO continues to retain the status of HFC. (Refer Point no.14 of Note 40 to the Notes to Accounts).

In case of Associate Company,

Shristi Urban Infrastructure Development Corporation Ltd. (SUIDCL), the company was incorporated on 20th June 2005 with ownership right in the ratio of 60:40 between Shristi Infrastructure Development Corporation Ltd., (SIDCL) and Housing and Urban Development Corporation Ltd., (HUDCO) respectively. In order to promote, establish, monitor, collaborate, construct, either through public and /or private participation, and to act as special purpose vehicle (SPV) for entering into understanding and Associates with various Central and State Govts, their corporation, technology and domain experts, in and outside India, for development creation, expansion and modernisation of housing, commercial, social and urban development facilities. Further, the shares held by SIDCL got transferred to Shristi Housing Development Ltd. w.e.f. 31.03.2009. Shristi Housing Development Ltd. has been amalgamated with Shristi Urban Infrastructure Development Corporation Ltd. w.e.f. 31.03.2016.

The subsidiary company, Shristi Udaipur Hotels & Resorts Pvt Ltd., was incorporated on 2nd February, 2007 as promoted by Shristi Urban Infrastructure Development Ltd., to carry on the business of hotels, motels, resorts, restaurants, shopping complex, commercial complex, multiplex etc., and related activities.

Information on the Associate structure and Information on other related party relationships of the company is provided in Note 40(2), 40(34)(a),(c),(g)(a/b/c) & 40(35)(a),(b).

2. Basis of Preparation

The Consolidated Financial Statements have been prepared based on the Schedule III for Non-Banking Financial Companies as per Notification G.S. R. 1022 (E) issued by the Ministry of Corporates Affairs on 11-10- 2018.

2.1 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its Associates as at 31st March 2023. Control is achieved when the company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

2.2 Principles of Consolidation

The Consolidated Financial Statements consist of HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED ("The Company") and its Associate Company. The Consolidated Financial Statements are prepared on the following basis:

Investments in Associates where the Company holds more than 20% of equity are accounted for using equity method as per Indian Accounting Standard (Ind AS) 28 - "Investments in Associates and Joint Ventures".

The Consolidated Financial Statements are prepared using uniform accounting policies and are presented to the extent possible in the same manner as the Company's separate financial statement except where adjustment for the differences are immaterial/ impractical.

2.3 Equity Accounting

Investment in associate is an entity over which the investor has significant influence. Interest in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to

NOTES : (Contd.)

recognise the Group's share of the post-acquisition profits or losses of the investee in Group's profit and loss, and the Group's share of other comprehensive income of the investee in Group's other comprehensive income.

On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealised gains resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the Group's interest in the associate or joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses of an associate exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. The Group resumes recognising its share of profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. The carrying amounts of equity accounted investments are tested for impairment in accordance with the accounting policy on impairment of non-financial assets.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of investment in associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in Consolidated Statement of Profit and Loss.

If the Group's ownership interest in a joint venture or an associate is reduced, but joint control or significant influence is retained, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the assets or liabilities.

3. Application of New Indian Accounting Standards (Ind AS)

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules 2015 (as amended) till the financial statements are authorised, have been considered in preparing the Consolidated Ind AS Financial Statements.

The Financial Statements are approved for issuance by the Company's Board of Directors on May 26, 2023

4. Standard/Amendments issued but not yet effective

Ministry of Corporate Affairs ("MCA") vide notification dated March 31st 2023, has issued amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015, which shall come into force with effect from 1st day of April, 2023 Viz.,

- a) Ind AS 1 – Presentation of Financial Statements: -
- b) Ind AS 12 – Income Taxes: -
- c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The company does not expect this amendment to have any significant impact in its Financial Statements.

5A. Significant accounting policies

a. Statement of Compliance

The Consolidated Financial Statements of the Company have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standard) Rules 2015 (as amended).

NOTES : (Contd.)**b. Basis of Preparation and Presentation**

The Consolidated Ind AS Financial Statements have been prepared on an accrual basis as a going concern and under the historical cost convention, except for certain financial assets (equity instruments classified as Fair Value Through P&L Account etc.) and financial liabilities (derivatives etc.) and financial liabilities that are measured at fair value at the end of each reporting date as required under relevant Ind AS.

c. Investment in associates and joint ventures

The Company records the investments in associates and joint ventures at cost less impairment loss, if any.

On disposal of Investment in associate, and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Consolidated Statement of Profit and Loss.

d. Use of estimates

The preparation of Consolidated Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

e. Cash and cash equivalents

Cash and cash equivalent comprise of cash in hand, demand deposits and time deposits with original maturity of less than three months held with bank, debit balance in cash credit account and stamping/franking balance, which are subject to an insignificant risk of changes in value.

f. Foreign currency

The Company's Financial Statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Income and expenses in foreign currencies are recorded by the Company at the exchange rates prevailing on the date of the transaction.

At the end of each reporting period, foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange (RBI Reference Rate) prevailing at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the Statement of Profit and Loss in the period in which they arise.

g. Revenue recognition**i Interest income**

As per Ind AS 109, Interest income, for all debt instruments measured is recorded using the effective interest rate (EIR). The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are incrementally directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company has recognized any fees that are incrementally directly attributable to the loans on the basis of Straight Line Basis co-terminus with the term of loan.

Interest income in Non-Performing Assets and /or Stage 3 in Financial Assets is recognized only on cash/receipt basis.

ii Dividends

Dividend Income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

iii Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

NOTES : (Contd.)

iv Revenue from Contracts with Customers

“Revenue from Contracts with Customers” which includes but not limited to Consultancy, Trusteeship & Consortium, Charges on Construction Projects, Management Development Program or any other income is recognized as per Ind AS 115 on “Revenue from Contracts with Customers”

h Borrowing costs

Borrowing costs directly attributable to the acquisition are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

i Investment Properties-Ind AS 40

Recognition

Investment Properties are measured initially at cost, including transaction costs. The cost includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent Measurement (Depreciation)

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The Company depreciates building component of Investment Property over useful life prescribed under Part C of Schedule II to the Companies Act, 2013. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives.

De-recognition

Investment Properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Profit or Loss in the period of de-recognition on disposal.

j Property, Plant and Equipment (PPE) and Intangible assets

Recognition

The company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible assets and use that carrying value as the deemed cost of the Property, Plant and Equipment and Intangible assets as on 1st April, 2017.

Subsequent Measurement (Depreciation)

Depreciation on Property, Plant and Equipment (PPE) is charged on Straight line method either on the basis of rates arrived at with the reference to the useful life of the assets arrived at based on useful life prescribed under Part C of Schedule II of the Companies Act, 2013.

Derecognition

n item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of Profit and Loss account when the asset is derecognized.

Intangible assets

An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. Intangible assets acquired separately are measured on initial recognition at cost.

Intangible Assets comprising of Computer Software are stated at Cost less accumulated amortization.

k Depreciation and amortization

- a) Depreciation is provided over the useful life of the PPE set as per Schedule-II of Companies Act, 2013 and depreciation rates have been worked out by applying WDV method after retaining 5% of cost as residual value effective from 1st April, 2014.

NOTES : (Contd.)

- b) On PPE costing upto ₹5000 per item are clubbed under "Miscellaneous Assets" and depreciation thereon is provided @100%.
- c) Books purchased during the year are clubbed under Library Books and depreciation thereon is provided @ 100%.
- d) Computer software is amortized over a period of five years on a straight-line basis.

I. Capital -work-in -progress

Capital work in progress includes assets not ready for the intended use and is carried at cost, comprising direct and related incidental expenses.

Intangible assets under development

Intangible assets not ready for the intended use on the date of Balance sheet are disclosed as Intangible assets under development.

m. Leases
(a) Company as a lessee

- (i) The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- (ii) The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-to-use asset or the end of the lease term. The estimated useful life of the right-to-use asset is determined on the same basis as those of property, plant and equipment. In addition, the right-to-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.
- (iii) The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.
- (iv) The lease liability is measured at amortized cost using the effective interest method, it is re-measured when there is a change in future lease payments from a change in an index or rate. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.
- (v) The Company presents right-of-use asset that do not meet the definition of Investment property in the "Right of use assets" separately on the face of the Balance sheet and lease liabilities in "other financial liabilities" in the Balance Sheet.
- (vi) Short term Lease and Leases of low value assets: -The Company has elected not to recognize right-of-use asset and lease liabilities for short term leases that have lease term of 12 months or less and leases of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(b) As a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognizes lease payments received under operating lease as income on a straight-line basis over the term of relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases as part of "Rental Income".

n. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and financial liabilities i.e. Loans and advances, Equity investments, Derivative financial instruments and all other financial assets and liabilities are recognised initially at fair value plus or minus transaction costs that are attributable to the acquisition or issue of the financial asset or financial liability except in the case of financial assets or financial liability recorded at fair value through profit or loss where the transaction cost are charged to profit and loss.

Subsequent measurement

a) Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments other than which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

(v) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b) Derivative financial instruments

The Company holds various derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations including foreign exchange forward contracts, currency and interest rate swaps. The counterparty for these contracts is generally a bank.

Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss. Assets/liabilities in this category are presented as financial assets/financial liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

De-recognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

o. Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from retained earnings, net of any related income tax effects.

p. Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1— Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

q. Impairment

a) Financial Assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on a financial asset broadly in accordance with the principles laid down in Ind AS 109. The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition and based on the reasonable and supportable information, that is available and is indicative of significant increases in credit risk since initial recognition. The risk of default occurring on the financial asset is assessed as at the reporting date and the financial assets are classified into three categories based on the number of days of past due: -

Stage – 1	-	0-30 days
Stage – 2	-	31-90 days
Stage – 3	-	Above 90 days.

The ECL is calculated based on the historical data with due weightage to the likely future events which may affect the cash flows. The Company recognises in statement of profit or loss, as an impairment gain or loss, the amount of Expected Credit Loss (or reversal) that is required to adjust the loss allowance at the reporting date.

Additional provisions is made in order to establish a balance in the provision for loans that the Corporation's management considers prudent and adequate keeping in view the unforeseen events and happenings such as change in policy of Government and procedural delays in repayments from the agencies, outcome of pending cases under Insolvency and Bankruptcy code etc.

Modification of Loans

The company allows concessions or modification of loan term as a response to the borrower's financial difficulties rather than taking possession or to other wise enforce collection of security. The company considers a loan forborne when such concession or modification are provided as a result of the borrower present and expected financial difficulties and the company would not have agreed to them if the borrower had been financially healthy. Indicators of financial difficulties include defaults on covenants, or significant concerns raised by the Credit Risk Department. Forbearance may involve extending the payment arrangement and the agreement of new loan condition. Once the term is negotiated, any impairment is measured by taking into account the original and modified parameter. It is the company's policy to monitor forborne loans to help ensure that future payment continues to be likely to occur. De-recognition decisions and classifications between Stage 2 and Stage 3 are determined on a case-to-case basis. If these procedures identify a loss in relation to loan, it is disclosed and managed as an impaired Stage 3 or forborne asset until it is collected or written off. However, if the modification results into notional gain on account change in expected future value of cash flows, the same shall not be recognized.

When the loan has been renegotiated or modified but not derecognized, the company also reassesses whether there has been a significant increase in credit risk.

b) Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

r. Government grants and subsidies

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(a) The Company acts as a channelizing agency for disbursement of grants / subsidies under various schemes of the Government and Government Agencies. The Company receives the amount of such grants/subsidies and disburses them to eligible parties in accordance with the schemes of the relevant grants/subsidies. The undisbursed

grants / subsidies as at the year-end are shown as a part of Financial Liabilities. Where grants/ subsidies disbursed exceed the related amount received, such amount receivable from Government / Government Agencies is shown as a part of other Loans and Advances.

- (b) Grants received from other than Govt. agencies or development partners, in respect of certain schemes for economically weaker sections / low-income groups are also dealt with in the manner described at (a) above. Interest earned on loans given under certain specified schemes is shown under "Financial Liabilities" and is utilized as per the terms of the agreement.

s. Employee benefits

- (a) Expenditure on company contributions to Provident Fund, Group Saving Linked Insurance Scheme, EPFO's Employees' Pension Scheme and HUDCO's Employees' Pension Scheme is accounted for on accrual basis in accordance with the terms of the relevant schemes and charged to Statement of Profit & Loss. The Company's obligation towards gratuity, provident fund and post-retirement medical benefits to employees are actuarially determined and provided for as per Ind AS 19 on Employee Benefits. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
- (b) The Company's obligation towards sick leave, earned leave, gift on completion of 20/25/30/32 years of service & retirement gift are determined on actuarial basis and provided for as per Ind AS 19 on Employee Benefits.

t. Taxes – Ind AS 12

Tax expense comprises current and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

In respect of disputed income tax / wealth tax demands, where the Company is in appeal, provision for tax is made when the matter is finally decided.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

u. Dividend

Proposed final dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

v. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

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

w. Contingent liabilities and assets

The Company does not recognize a contingent liability but discloses its existence in the financial statements Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- A present obligation arising from past events, when no reliable estimate is possible
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognised. A contingent asset is disclosed, as required by Ind AS 37, where an inflow of economic benefits is probable.

5B. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i. Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how Companies of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

ii. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation

models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), correlation and volatility.

iii. Effective Interest Rate (EIR) method

The company's EIR methodology recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

iv. Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

v. Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

vi. Revenue from contract with Customers

The Company's contracts with customers include promises to transfer services to a customer. The Company assesses the services promised in a contract and identifies performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or services, transfer of significant risks and rewards to the customer, etc.

vii. Leases

Ind AS-116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Company also used judgement in determining the low value assets as given under the Ind AS-116.

NOTE 6: CASH AND CASH EQUIVALENTS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
	Cash and Cash Equivalents		
(i)	Cash and Revenue Stamps in hand	-	-
(ii)	Bank Deposits (3 months and less than 3 months) ** #	5.12	333.73
(iii)	Balances in Current account with:		
	- Reserve Bank of India	0.02	0.02
	- Scheduled Banks * \$	42.69	226.24
(iv)	Cheque/Demand draft in hand	-	-
	Total	47.83	559.99

\$ Balances with Banks in current accounts maintained with various Banks.

Includes High Quality Liquid Assets (HQLAs) of ₹ Nil (previous year ₹ 322.50 Crore) maintained as per RBI Directions.

Components of Cash & Cash Equivalents : Earmarked balances with Bank

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
	* Balances in Current Accounts With Scheduled Banks:		
(i)	Rajiv Rinn Yojana	0.05	0.05
(ii)	No-Lien account of Andrews Ganj Project	0.08	0.08
(iii)	Heritage Project - Retail Finance	0.04	0.04
(iv)	Interest Subsidy for Housing Urban Poor (ISHUP)	0.01	0.01
(v)	Credit Linked Subsidy Scheme	0.11	109.78
(vi)	HUDCO CSR Unspent Fund ##	13.76	27.02
(vii)	BSUP Project	-	0.01
(viii)	Interim Dividend Balance	0.20	27.32
(ix)	Unclaimed Dividend	1.14	0.86
(x)	Unclaimed Bonds	13.49	10.58
(xi)	Unclaimed Principal & Interest PDS	0.19	0.20
	Sub Total - Balances in Current Accounts With Scheduled Banks	29.07	175.95
	** Bank Deposits (3 months & Less than 3 months)		
(i)	Vikat Hotel	4.77	4.68
(ii)	Credit Linked Subsidy Scheme #	0.04	2.47
(iii)	Sagar Co-operative Housing Society #	-	0.29
(iv)	Rajiv Rinn Yojana	0.19	0.57
(v)	DRT Chennai	-	-
(vi)	Liquid Assets Fixed Deposits @	-	2.57
	Sub Total - Bank Deposits (3 months & Less than 3 months)	5.00	10.58

Includes interest accrued but not due.

@ Fixed Deposits are maintained as per the requirements of section 29B of National Housing Bank Act, 1987.

CSR Unspent fund Balance.

NOTE 7: BANK BALANCES OTHER THAN ABOVE

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
	Bank balance other than above		
(i)	Bank Deposits (More than 3 months & upto 12 months) *#	21.02	67.69
(ii)	Bank Deposits - (More than 12 months)*	-	16.25
	Total	21.02	83.94

*** Components of Bank balances - Earmarked Bank Deposits (More than 3 months & upto 12 months) :**

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
(i)	Human Settlement Management Institute Study Fund #	4.43	4.23
(ii)	Rajiv Rinn Yojana #	1.12	40.99
(iii)	Heritage Project - Retail Finance #	1.99	1.89
(iv)	SPIL #	0.40	0.38
(v)	BSUP Project	3.78	3.56
(vi)	OCRPMO	0.34	0.32
(vii)	Credit Linked Subsidy Scheme	8.96	-
	Sub Total - Bank Deposits (More than 3 months & upto 12 months)	21.02	51.37

Note: Short term deposits are made for varying periods upto one year depending on short term liquidity requirements of HUDCO and earn interest at respective short term deposit rates.

**** Components of Bank balances - Earmarked Bank Deposits (More than 12 months) :**

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
(i)	Under lien with Bank of India, Cayman Island branch, USA #	0.00	16.25
		0.00	16.25

Includes interest accrued but not due.

NOTE 8: DERIVATIVE FINANCIAL INSTRUMENTS

(₹ in crore)

S. No.	Particulars	As at 31 st March, 2023			As at 31 st March, 2022		
		Notional amounts (1)	Fair value assets (2)	Fair value liabilities (3)	Notional amounts (1)	Fair value assets (2)	Fair value liabilities (3)
	PART I						
A	Currency Derivatives:						
I	Currency Swaps						
(a)	USAID - II						
	- with ICICI Bank	-	-	-	3.43	0.32	
II	Forward Contract						
(a)	JBIC						
	- With MUFG Bank	1.53	0.02				
	Total A	1.53	0.02		3.43	0.32	
B	Interest rate derivatives:						
	- Interest rate Swaps	-	-	-	-	-	
	Total B	-	-	-	-	-	
	Total Part I (A) + (B)	1.53	0.02	-	3.43	0.32	
	PART II						
	Included in above (Part I) are Derivatives held for Hedging and Risk Management Purposes as follows:						
A	Fair value hedging:						
	Sub-total A	-	-	-	-	-	
B	Cash flow hedging:						
	Sub-total B	-	-	-	-	-	
C	Net Investment hedging:						
	Sub-total C	-	-	-	-	-	
D	Undesignated derivatives						
	Sub-total D	1.53	0.02	-	3.43	0.32	
	Total Part II (A) + (B) + (C) + (D)	1.53	0.02	-	3.43	0.32	
	Total derivative financial instruments	1.53	0.02	-	3.43	0.32	

Note:

- The table above shows fair value of Derivative financial instruments recorded as Assets/Liabilities together with their Notional amounts. The Notional amounts indicate the value of transactions outstanding at the period end and are not indicative of market or credit risk.
- The fair value of the derivative financial instruments are those as informed by the counter parties (generally Banks).
- The Company holds Derivative financial instruments such as foreign exchange forward contracts, currency swaps or currency option contracts to mitigate the risk of changes in foreign exchange rates on foreign currency liabilities/forecasted cash flow denominated in foreign currencies. Derivatives are used exclusively for hedging and not as trading or speculative instruments. Such derivative contracts are not designated as hedges and are accounted for at Fair Value through Profit and Loss. The counter party for these contracts is generally a bank.
- Derivatives are recognised and measured at fair value. Attributable transaction costs are recognised in statement of Profit and Loss.
- The Company's risk management strategy and how it is applied to manage risk are explained in Note 36 of Notes to Accounts.

NOTE 8: (Cont.)
Offsetting
Financial assets subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
As at 31 st March, 2023	0.02	-	0.02	-	-	-	0.02	0.02	-
As at 31 st March, 2022	0.32	-	0.32	-	-	-	0.32	0.32	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

Financial liabilities subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Assets not subject to netting arrangements	Total assets	Maximum exposure to risk
	Gross assets before offset	Offset with gross liabilities*	Net assets recognised on the balance sheet	Financial liabilities	Collaterals received	Assets after consideration of netting potential			
As at 31 st March, 2023	-	-	-	-	-	-	-	-	-
As at 31 st March, 2022	-	-	-	-	-	-	-	-	-

* There is no offsetting done in Balance Sheet, therefore amount shown as NIL.

NOTE 9: RECEIVABLES

(₹ in crore)

S.No.	PARTICULARS		As at 31 st March, 2023	As at 31 st March, 2022
I	TRADE RECEIVABLE			
(i)	- Considered good- Unsecured	11.69		24.17
(ii)	- Less: Credit Impaired	10.31		17.01
	Sub-total (I)		1.38	7.16
II	OTHER RECEIVABLE			
(i)	- Considered good- Unsecured	2.71		4.06
(ii)	- Less: Credit Impaired	2.18		2.14
	Sub-total (II)		0.53	1.92
	Total (I+II)		1.91	9.08

Footnote:

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
1	- Considered good- Secured	-	-
	- Considered good- Unsecured	14.39	28.23
	- Credit Impaired	12.49	19.15
2	Trade Receivable stated above include debts due by:		
	Director	Nil	Nil
	Other Officers of the Company	Nil	Nil
	Firm in which director is a partner	Nil	Nil
	Private Company in which director is a member	Nil	Nil

TRADE RECEIVABLE AGEING SCHEDULE

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31st March 2022						
(i) Undisputed Trade Receivables - considered good	1.80	0.04	1.13	1.61	2.58	7.16
(ii) Undisputed Trade Receivables - considered doubtful*	0.00	0.00	0.00	0.00	17.01	17.01
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2023						
(i) Undisputed Trade Receivables - considered good	0.59	0.34	0.30	0.43	0.87	2.53
(ii) Undisputed Trade Receivables - considered doubtful*	0.00	0.00	0.00	0.00	9.16	9.16
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

* Provision of current year is ₹ 10.31 crore (Previous year ₹17.01 crore) on account of trade receivables- considered doubtful has been created.

NOTE 10: LOANS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023				As at 31 st March, 2022												
		Amortised Cost	At fair value		Subtotal	Total	Amortised Cost	At fair value		Subtotal	Total							
			(1)	(2)				(3)	(4)			(1)	(2)	(3)	(4)			
A	(i) Term Loans																	
(a)	Loans & advances	81,633.90	-	-	-	81,633.90	79,456.24	-	-	-	-	-	-	-	-	-	-	-
(ii)	Others	34.28	-	-	-	34.28	38.05	-	-	-	-	-	-	-	-	-	-	-
(a)	Staff loans *																	
	Total (A) Gross	81,668.18	-	-	-	81,668.18	79,494.29	-	-	-	-	-	-	-	-	-	-	-
(iii)	Less: Impairment loss allowance	2,431.21	-	-	-	2,431.21	2,504.37	-	-	-	-	-	-	-	-	-	-	-
	(Refer S.No. 5 (b), 12 & 31 of Note No. 40- Explanatory notes)#																	
	Total (A) Net	79,236.97	-	-	-	79,236.97	76,989.92	-	-	-	-	-	-	-	-	-	-	-
B	(i) Secured by tangible assets.	6,150.94	-	-	-	6,150.94	6,977.26	-	-	-	-	-	-	-	-	-	-	-
(ii)	Secured by intangible assets.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii)	Covered by Bank/Government Guarantees @	75,496.45	-	-	-	75,496.45	72,142.56	-	-	-	-	-	-	-	-	-	-	-
(iv)	Unsecured	20.79	-	-	-	20.79	374.47	-	-	-	-	-	-	-	-	-	-	-
	Total (B) - Gross	81,668.18	-	-	-	81,668.18	79,494.29	-	-	-	-	-	-	-	-	-	-	-
(v)	Less: Impairment Loss Allowance	2,431.21	-	-	-	2,431.21	2,504.37	-	-	-	-	-	-	-	-	-	-	-
	Total (B) - Net	79,236.97	-	-	-	79,236.97	76,989.92	-	-	-	-	-	-	-	-	-	-	-
C	(i) Public Sector	79,151.31	-	-	-	79,151.31	76,871.38	-	-	-	-	-	-	-	-	-	-	-
(ii)	Other than Public Sector	2,516.87	-	-	-	2,516.87	2,622.91	-	-	-	-	-	-	-	-	-	-	-
	Total (C) - Gross	81,668.18	-	-	-	81,668.18	79,494.29	-	-	-	-	-	-	-	-	-	-	-
(iii)	Less: Impairment Loss Allowance	2,431.21	-	-	-	2,431.21	2,504.37	-	-	-	-	-	-	-	-	-	-	-
	Total (C) - Net	79,236.97	-	-	-	79,236.97	76,989.92	-	-	-	-	-	-	-	-	-	-	-

Note: The company has only 'Amortised cost category' to present in this schedule.

* Includes secured by way of mortgage of ₹25.05 crore (previous year ₹26.84 crore)

#Includes provision on undrawn commitment of ₹1.00 crore (previous year ₹0.62 crore)

@Includes ₹5.61 crore (previous year ₹5.61 crore) of Loans secured through Bank Guarantees.

@Includes loan of ₹20,000 crore (Previous Year ₹20,000 crore) extended to BMTPC, raised by issue of "GOI fully serviced Bonds", repayment of which shall be met by Government of India through suitable provision in the Budget of Ministry of Housing and Urban Affairs.

NOTE 10: (Contd.)
NOTE: 10(a)(1): LOANS
Impairment allowance for loans and advances to customers

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 10(a)(4)(ii) and policies on whether ECL allowances are calculated on an individual or collective basis are set out in Note 10(a)(4)(vi).

31st March, 2023
(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	129.95	-	377.21	507.16
Low_Risk	39,495.27	3,298.77	104.46	42,898.50
Grand Total	39,625.22	3,298.77	481.67	43,405.66

(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	0.13	-	-	0.13
Medium_Risk	2,813.98	-	143.05	2,957.03
Low_Risk	29,989.20	1,755.38	5.85	31,750.43
Grand Total	32,803.31	1,755.38	148.90	34,707.59

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.43	11.43
Medium_Risk	279.52	-	2,093.79	2,373.31
Low_Risk	-	-	5.61	5.61
Grand Total	279.52	-	2,110.83	2,390.35

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	153.61	-	-	153.61
Medium_Risk	68.23	0.11	17.77	86.11
Low_Risk	-	-	-	-
Grand Total	221.84	0.11	17.77	239.72

31st March, 2022
(i) Government - Housing

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	-	-
Medium_Risk	163.47	-	402.95	566.42
Low_Risk	42,531.86	1,260.78	45.38	43,838.02
Grand Total	42,695.33	1,260.78	448.33	44,404.44

NOTE 10: (Contd.)
(ii) Government - Urban Infrastructure

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	0.15	-	-	0.15
Medium_Risk	3,437.07	-	143.05	3,580.12
Low_Risk	26,854.52	925.32	5.85	27,785.69
Grand Total	30,291.74	925.32	148.90	31,365.96

(iii) Non-Government

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	-	-	11.43	11.43
Medium_Risk	291.65	-	2,177.24	2,468.89
Low_Risk	-	-	5.61	5.61
Grand Total	291.65	-	2,194.28	2,485.93

(iv) Retail

(₹ in crore)

Risk Categorization	Stage 1	Stage 2	Stage 3	Total
High_Risk	163.92	-	-	163.92
Medium_Risk	73.54	1.51	17.68	92.73
Low_Risk	-	-	-	-
Grand Total	237.46	1.51	17.68	256.65

NOTE: 10 (a)(2)
(i) Government - Housing

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Housing lending is as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	39,377.13	5,930.22	402.57	45,709.92
High grade	-	-	-	-
New assets originated or purchased	1,269.54	-	-	1,269.54
Assets derecognised or repaid (excluding write offs)	1,798.42	761.79	14.81	2,575.02
Transfers from Stage 1	3,847.08	(3,847.08)	-	-
Transfers from Stage 2	-	(60.57)	60.57	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2022	42,695.33	1,260.78	448.33	44,404.44
High grade	-	-	-	-
New assets originated or purchased	1,829.45	-	-	1,829.45

NOTE 10: (Contd.)

Particulars	Stage 1	Stage 2	Stage 3	Total
Assets derecognised or repaid (excluding write offs)	2,487.99	308.75	31.34	2,828.08
Transfers from Stage 1	(2,411.57)	2,411.57	-	-
Transfers from Stage 2	-	(64.83)	64.83	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	0.15	0.15
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	39,625.22	3,298.77	481.67	43,405.66

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2021	3.78	13.28	156.81	173.87
High grade	-	-	-	-
New assets originated or purchased	0.01	-	-	0.01
Assets derecognised or repaid(excluding write offs)	0.17	2.08	8.21	10.46
Transfers from Stage 1	0.36	(4.71)	-	(4.35)
Transfers from Stage 2	-	(0.03)	18.78	18.75
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2022	3.98	6.46	167.38	177.82
ECL allowance as at 31st March, 2022	3.98	6.46	167.38	177.82
High grade	-	-	-	-
New assets originated or purchased	0.29	-	-	0.29
Assets derecognised or repaid(excluding write offs)	0.23	2.63	6.91	9.77
Transfers from Stage 1	(0.23)	2.48	-	2.25
Transfers from Stage 2	-	(3.24)	20.75	17.51
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	0.15	0.15
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2023	3.81	3.07	181.07	187.95

NOTE 10: (Contd.)
(ii) Government - Urban Infrastructure

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Government - Urban lending is as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	26,183.58	980.09	148.90	27,312.57
High grade	-	-	-	-
New assets originated or purchased	7,607.40	-	-	7,607.40
Assets derecognised or repaid(excluding write offs)	3,481.03	72.98	-	3,554.01
Transfers from Stage 1	(18.21)	18.21	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2022	30,291.74	925.32	148.90	31,365.96
Gross carrying amount as at 31st March, 2022	30,291.74	925.32	148.90	31,365.96
High grade	-	-	-	-
New assets originated or purchased	6,627.91	-	-	6,627.91
Assets derecognised or repaid(excluding write offs)	3,230.40	55.88	-	3,286.28
Transfers from Stage 1	(910.76)	910.76	-	-
Transfers from Stage 2	24.82	(24.82)	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	32,803.31	1,755.38	148.90	34,707.59

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1st April, 2021	2.83	47.88	57.34	108.05
High grade	-	-	-	-
New assets originated or purchased	0.92	-	1.43	2.35
Assets derecognised or repaid(excluding write offs)	0.38	3.04	-	3.42
Transfers from Stage 1	-	0.02	-	0.02
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2022	3.37	44.86	58.77	107.00

NOTE 10: (Contd.)

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 31st March, 2022	3.37	44.86	58.77	107.00
High grade	-	-	-	-
New assets originated or purchased	0.74	-	-	0.74
Assets derecognised or repaid(excluding write offs)	0.36	2.61	-	2.97
Transfers from Stage 1	(0.10)	1.40	-	1.30
Transfers from Stage 2	-	(0.03)	-	(0.03)
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
ECL allowance as at 31st March, 2023	3.65	43.62	58.77	106.04

(iii) Non - Government

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Non - Government lending is as follows:

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	-	-	2,483.78	2,483.78
High grade	-	-	-	-
New assets originated or purchased	-	-	19.01	19.01
Assets derecognised or repaid(excluding write offs)	-	-	16.86	16.86
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	291.65	-	(291.65)	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As at 31st March, 2022	291.65	-	2,194.28	2,485.93
Gross carrying amount as at 31st March, 2022	291.65	-	2,194.28	2,485.93
High grade	-	-	-	-
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid(excluding write offs)	12.14	-	34.84	46.98
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	48.61	48.61
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	279.51	-	2,110.83	2,390.34

NOTE 10: (Contd.)

ECL allowance as at 1st April, 2021	-	-	2,452.06	2,452.06
High grade	-	-	-	-
New assets originated or purchased	-	-	34.01	34.01
Assets derecognised or repaid(excluding write offs)	-	-	16.86	16.86
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	22.75	-	(291.65)	(268.90)
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Foreign exchange adjustments	-	-	-	-
As on 31st March, 2022	22.75	-	2,177.56	2,200.31
ECL allowance as at 31st March, 2022	22.75	-	2,177.56	2,200.31
High grade	-	-	-	-
New assets originated or purchased	-	-	0.19	0.19
Assets derecognised or repaid(excluding write offs)	0.95	-	34.84	35.79
Transfers from Stage 1	-	-	-	-
Transfers from Stage 2	-	-	-	-
Transfers from Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	48.61	48.61
Foreign exchange adjustments	-	-	-	-
Gross carrying amount as at 31st March, 2023	21.80	-	2,094.30	2,116.10

(iv) Retail

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

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1st April, 2021	254.15	7.40	18.76	280.31
High grade	-	-	-	-
New assets originated or purchased	9.50	0.09	-	9.59
Assets derecognised or repaid(excluding write offs)	30.87	1.34	1.04	33.25
Transfers from Stage 1	(1.07)	0.61	0.46	-
Transfers from Stage 2	5.24	(5.29)	0.05	-
Transfers from Stage 3	0.51	0.04	(0.55)	-
As at 31st March, 2022	237.46	1.51	17.68	256.65
Gross carrying amount as at 31st March, 2022	237.46	1.51	17.68	256.65
High grade	-	-	-	-
New assets originated or purchased	8.54	-	-	8.54
Assets derecognised or repaid(excluding write offs)	24.27	0.22	0.98	25.47
Transfers from Stage 1	(0.85)	0.10	0.75	-
Transfers from Stage 2	0.71	(1.28)	0.57	-
Transfers from Stage 3	0.25	-	(0.25)	-

NOTE 10: (Contd.)

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 31 st March, 2023	221.84	0.11	17.77	239.72

(₹ in crore)

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at 1 st April, 2021	0.22	0.17	18.76	19.15
High Grade	-	-	-	-
New Assets originated or purchased	0.03	-	-	0.03
Assests derecognised or repaid (excluding write offs)	0.05	0.02	1.04	1.11
Transfer from Stage 1	-	0.01	0.46	0.47
Transfer from Stage 2	0.01	(0.12)	0.05	(0.06)
Transfer from Stage 3	-	-	(0.55)	(0.55)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2022	0.21	0.04	17.68	17.93
ECL allowance as at 31 st March, 2022	0.21	0.04	17.68	17.93
High Grade	-	-	-	-
New Assets originated or purchased	0.02	-	-	0.02
Assests derecognised or repaid (excluding write offs)	0.06	-	0.98	1.04
Transfer from Stage 1	-	-	0.75	0.75
Transfer from Stage 2	-	(0.04)	0.57	0.53
Transfer from Stage 3	-	-	(0.25)	(0.25)
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amount written off	-	-	-	-
Foreign exchange adjustment	-	-	-	-
As on 31st March, 2023	0.17	-	17.77	17.94

NOTE: 10(a)(3) Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of significant accounting policies.

- The Company's definition and assessment of default and cure.
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default.
- When the Company considers there has been a significant increase in credit risk of an exposure.
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis.
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets.

NOTE: 10(a)(4)(i) Definition of default

The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes 90 days past due on its contractual payments.

NOTE: 10(a)(4)(ii) Probability of default

The 12 month probability of default is calculated using incremental NPA approach.

NOTE: 10(a)(4)(iii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12mECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

NOTE: 10(a)(4)(iv) Loss given default

The Company segments its lending products into smaller homogeneous portfolios (Government - Housing, Government - Urban Infrastructure, Non Government and Retail), based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type) as well as borrower characteristics.

NOTE: 10(a)(4)(v) Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12mECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECLs on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

NOTE: 10(a)(4)(vi) Grouping financial assets measured on a collective basis

As explained in Note 5.q, the Company calculates ECLs on collective or individual basis.

The Company calculates ECLs on collective basis on following asset classes:

- Government - Housing
- Government - Urban Infrastructure
- Non Government
- Retail

The Company calculates ECLs on individual basis on all Stage 3 assets of Non Government portfolio.



Panna Dhai Park, Goverdhan Sagar, AMRUT Scheme, Udaipur, Rajasthan

NOTE 11: INVESTMENTS

(₹ in crore)

S No.	PARTICULARS	As at 31 st March, 2023						As at 31 st March, 2022							
		Amortised Cost	At fair value			Subtotal	Others	Total	Amortised Cost	At fair value			Subtotal	Others	Total
			Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss					Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)	(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)		
A															
1	Mutual funds														
(i)	IIFCL Assets Management Company Limited (IAMCL)*	-	75.70	-	75.70	-	75.70	-	73.64	-	73.64	-	-	73.64	
2	Government Securities														
(i)	Investment in Treasury Bill **	367.68	-	-	-	-	367.68	2.77	-	-	-	-	-	2.77	
3	Debt Securities														
(i)	74546004 Optionally Convertible Debentures Series A @ 0.01% of RKM Powergen Pvt. Ltd. (Face Value ₹ 100/-) #	-	-	-	-	-	-	-	-	-	-	-	-	-	
(ii)	2228385 Optionally Convertible Debentures Series A1 @ 0.01% of RKM Powergen Pvt. Ltd. (Face Value ₹ 100/-) #	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Equity Instruments														
(i)	1,00,000 equity shares of Sri KPR Industries Limited	-	0.18	-	0.18	-	0.18	-	0.26	-	0.26	-	-	0.26	
(ii)	20,000 equity shares of TN Urban Finance Infrastructure Dev. Corporation, Ltd.	-	1.44	-	1.44	-	1.44	-	1.41	-	1.41	-	-	1.41	
(iii)	17,00,000 equity shares of Cent Bank Home Finance Ltd.	-	12.75	-	12.75	-	12.75	-	11.31	-	11.31	-	-	11.31	
(iv)	1,00,000 equity shares of Intra Consolid (India) Limited @	-	0.10	-	0.10	-	0.10	-	0.10	-	0.10	-	-	0.10	
(v)	1,00,000 equity shares of Nagarjuna Ceramics Ltd. *** @	-	0.10	-	0.10	-	0.10	-	0.10	-	0.10	-	-	0.10	
(vi)	1,00,000 equity shares of Marmite Polycast Ltd. @	-	0.10	-	0.10	-	0.10	-	0.10	-	0.10	-	-	0.10	
(vii)	1,00,000 equity shares of Perival Bricks Ltd. @	-	0.10	-	0.10	-	0.10	-	0.10	-	0.10	-	-	0.10	
(viii)	71,900 equity shares of Trans Fibre Pipes (I) Ltd. @	-	0.07	-	0.07	-	0.07	-	0.07	-	0.07	-	-	0.07	
(ix)	1,25,68,829 equity shares of Cochin International Airport Ltd. (including 25,68,829 Right issue of Cochin International Airport Ltd.- Shares of ₹10/- each at premium of ₹40/- per share) FV ₹ 10/- per share %	-	57.19	-	57.19	-	57.19	-	50.90	-	50.90	-	-	50.90	

NOTE 11: (Contd.)

S No.	PARTICULARS	As at 31 st March, 2023						As at 31 st March, 2022							
		Amortised Cost	At fair value			Subtotal	Others	Total	Amortised Cost	At fair value			Subtotal	Others	Total
			Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss					Through other comprehensive income	Through profit or loss	Designated at fair value through profit or loss			
(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)	(1)	(2)	(3)	(4)	5=(2+3+4)	(6)	7=(1+5+6)		
(x)	1,99,00,000 equity shares of National Industrial Corridor Development Corporation Limited (Earlier DMIDC)	-	114.43	-	114.43	-	114.43	-	116.42	-	116.42	-	-	116.42	
(xi)	38675278 Equity Shares of R.K.M Powergen Private Limited #	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Associates														
(i)	25,00,000 equity shares of Indbank Housing Limited @	-	-	-	-	2.50	2.50	-	-	-	-	2.50	-	2.50	
(ii)	1,30,000 equity shares of Pragati Social Infrastructure & Development Ltd.	-	-	-	-	0.13	0.13	-	-	-	-	0.13	-	0.13	
(iii)	20,00,000 equity shares of Shristi Urban Infrastructure Development Ltd.	-	-	-	-	0.31	0.31	-	-	-	-	0.50	-	0.50	
(iv)	13,000 equity shares of Signa Infrastructure India Ltd.	-	-	-	-	0.01	0.01	-	-	-	-	0.01	-	0.01	
	Total gross (A)	367.68	262.16	-	262.16	2.95	632.79	2.77	254.41	-	254.41	3.14	3.14	260.32	
B															
(i)	Investments outside India	-	-	-	-	-	-	-	-	-	-	-	-	-	
(ii)	Investments in India	367.68	262.16	-	262.16	2.95	632.79	2.77	254.41	-	254.41	3.14	3.14	260.32	
	Total gross (B)	367.68	262.16	-	262.16	2.95	632.79	2.77	254.41	-	254.41	3.14	3.14	260.32	
	Total (A) to tally with (B)	367.68	262.16	-	262.16	2.95	632.79	2.77	254.41	-	254.41	3.14	3.14	260.32	
C															
	Less: Allowance for Impairment loss (C)														
(i)	Equity Instruments @	-	0.47	-	0.47	-	0.47	-	0.47	-	0.47	-	-	0.47	
(ii)	Associate	-	-	-	-	2.64	2.64	-	-	-	-	2.64	-	2.64	
D	Total Net D = (A) -(C)	367.68	261.69	-	261.69	0.31	629.68	2.77	253.94	-	253.94	0.50	0.50	257.21	

* IIFCL Mutual Fund Infrastructure Debt Fund Series - I of IAMCL is 10 year close ended scheme launched in 2013-14.

** Treasury Bills ₹3.21 Cr (Previous Year ₹2.77 Cr) are maintained as per the requirement of Section 29 B of National Housing Bank Act, 1987.

*** Share Certificates sent for correction but not received back. HUDCO has filled complaint against the company with Registrar of Companies, Andhra Pradesh on 02.07.1998

@ The fair value of these investments are ₹1. The investments and impairment thereon have been shown at Gross Value.

These investment have been booked at ₹1 as per the MDRA executed between the consortium of lenders

+ Includes High Quality Liquid Assets (HQLAs) of ₹ 359.07 crore (previous year Nil) maintained as per RBI Directions.

% CIAL has come out with right issue in March 2023 and HUDCO has been allotted 36,09,547 shares for ₹8.05 Cr in May 2023

NOTE 12: OTHER FINANCIAL ASSETS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Advances		
(i)	Advance against Investment in Shares (Refer Note No.40.10)	19.64	-
(ii)	Deposit for Services	0.53	0.67
	Sub-total (A)	20.17	0.67
B	RECOVERABLES		
(i)	Recoverable from Andrewsganj Project (AGP)	559.10	493.04
(ii)	Advances for works*	0.08	14.06
(iii)	Amount recoverable for Income Tax Department	7.85	7.85
(iv)	Amount receivable on Redemption of Investment	-	-
(v)	Work-in-progress		
	-Andrewsganj Project	-	19.34
	Sub-total (B)	567.03	534.29
	Total (A+B)	587.20	534.96

* Includes ₹ 13.97 crore relating to Andrewsganj Project (Refer S. No. 3 of Note 40- Explanatory Note). transferred from "Advances for Works" in current financial year 2022-23 and accordingly regrouped in previous year 2021-22

NOTE 13: : CURRENT TAX ASSETS/(LIABILITIES)

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
(i)	Advance Income Tax (Including TDS)	421.04	411.99
(ii)	Less: Provision for Income Tax	435.60	419.50
	Current Tax Assets/(Liabilities)	(14.56)	(7.51)

NOTE 14A: INVESTMENT PROPERTY

(₹ in crore)

S. No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK							
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		At cost or fair value at the end of the year as at 31 st March, 2022	Accumulated Depreciation and impairment as at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		Accumulated Depreciation and impairment as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2023								
				Addition	Deduction				Addition	Deduction											
(i)	Building (Freehold)	8.08	-	0.73	2.09	6.72	-	1.17	-	7.89	5.52	0.12	0.49	1.68	4.45	0.11	0.96	-	5.52	2.37	2.27
(ii)	Building (Leasehold)	35.11	-	0.20	-	35.31	-	6.51	3.46	38.36	20.86	0.65	0.13	-	21.64	0.62	1.28	2.25	21.29	17.07	13.67
(iii)	Flat (Freehold)	6.26	-	-	-	6.26	-	-	2.64	3.62	4.70	0.08	-	-	4.78	0.07	-	2.04	2.81	0.81	1.48
(iv)	Flat (Leasehold)	0.79	-	0.02	-	0.81	-	-	-	0.81	0.54	0.01	0.03	-	0.58	0.01	-	-	0.59	0.22	0.23
	Total	50.24	-	0.95	2.09	49.10	-	7.68	6.10	50.68	31.62	0.86	0.65	1.68	31.45	0.81	2.24	4.29	30.21	20.47	17.65

The Company's investment properties consist of building and flats situated in India. The management has determined that the investment properties consist of office and residences based on the nature, characteristics and risk of each property. As at 31st March 2023, the fair values of the properties are ₹917.90 crore (Previous year ₹ 770.70 crore). These valuations are based on valuations performed by the independent valuer. The rental income from investment property during 2022-23 is ₹ 54.18 crore (Previous year ₹ 49.04 crore).

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. Fair value hierarchy disclosures for investment properties have been provided in Note 36.3 of Notes to accounts.

(₹ in crore)

S. No.	Investment properties	As at 31 st March, 2023			As at 31 st March 2022		
		Valuation technique	Range (weighted average)	Fair Value (₹ in crore)	Valuation technique	Range (weighted average)	Fair Value (₹ in crore)
1	Jaipur (Jyoti Nagar, Lal Kothi)	Market Approach	-	4.73	Income Approach	8.00%	7.12
2	Chennai(CMDA Tower)	Income Approach	8.00%	46.27	Income Approach	8.00%	43.85
3	Bhopal(Parayavas Bhavan)	Market Approach	-	5.28	Composite Rate Method	-	13.93
4	Mumbai(Shreyas Chambers)	Income Approach	6.00%	17.36	Market Approach	-	24.90
5	Bhubaneshwar(Deendayal Bhawan)	Market Approach	-	6.56	Composite Rate Method	-	6.84
6	Jammu(Hudco Bhawan, Rail Head Complex)	Market Approach	-	10.00	Income Approach	9.00%	10.61
7	Ahmedabad(Hudco Bhawan, Navrangpura)	Market Approach	-	22.15	-	-	-
8	Ahmedabad(Trupti Apartments)	Market Approach	-	1.56	Market Approach	-	1.50
9	Mumbai (Oshiwara Flats)	Market Approach	-	6.40	Market Approach	-	5.64
10	Bhikaji Cama Place, Delhi	Market Approach	-	797.59	Income Approach	6.00%	656.31
	Total			917.90	Total		770.70

NOTE 14B: PROPERTY, PLANT AND EQUIPMENT

S. No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK		
		At cost or fair value beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		At cost or fair value at the end of the year as at 31 st March, 2022	Addition during the year	Adjustments		Accumulated Depreciation and Impairment as at the end of the year as at 31 st March, 2022	Addition during the year	Adjustments		Accumulated Depreciation and Impairment as at the end of the year as at 31 st March, 2023	Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2023
				Addition	Deduction			Addition	Deduction			Addition	Deduction			
A	TANGIBLE															
(i)	Land (Freehold)@	5.93	-	-	5.93	-	-	-	0.00	-	-	-	-	5.93	5.93	
(ii)	Land (Leasehold) *#@	9.80	-	-	9.80	0.11	0.01	2.60	2.72	0.11	0.01	-	2.84	6.96	7.08	
(iii)	Building (Freehold)@	6.54	-	2.09	7.93	0.14	1.68	3.82	5.18	0.13	-	0.98	4.33	2.38	2.75	
(iv)	Building (Leasehold) #@	69.04	-	0.15	68.99	1.81	4.09	32.98	34.77	1.72	2.35	1.28	37.56	29.01	34.22	
(v)	Flat (Freehold) #@	6.56	-	0.07	6.46	0.11	2.64	4.36	4.37	0.10	2.04	-	6.51	2.58	2.09	
(vi)	Flat (Leasehold) #@	5.52	-	-	5.43	0.10	-	3.35	3.39	0.10	-	-	3.49	1.94	2.04	
(vii)	Air conditioner & Cooler	2.57	-	-	2.55	0.01	-	2.15	2.23	0.07	-	0.25	2.05	0.25	0.32	
(viii)	Office Equipments	26.40	17.98	-	40.69	0.78	-	22.55	22.83	7.31	-	1.47	28.67	11.25	17.86	
(ix)	Furniture & Fixtures	6.59	0.07	-	6.44	0.09	-	5.23	5.34	0.25	-	0.14	5.45	0.93	1.10	
(x)	Vehicle	2.15	0.56	-	2.56	0.24	-	1.47	1.56	0.30	-	0.23	1.63	0.69	1.00	
(xi)	Library Books	1.03	0.01	-	1.04	0.02	-	1.03	1.04	0.02	-	-	1.06	-	-	
(xii)	Miscellaneous Assets	3.97	0.03	-	4.00	0.02	-	3.97	4.00	0.02	-	0.03	3.99	-	-	
	Total A	146.10	18.65	2.31	161.82	0.92	6.73	83.51	87.43	10.13	4.40	4.38	97.58	61.92	74.39	
B	Less : Grants															
(i)	Building	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(ii)	Air Conditioner	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(iii)	Office Equipment	0.07	-	-	0.07	-	-	0.06	0.06	0.01	-	-	0.07	-	0.01	
(iv)	Furniture & Fixture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(v)	Vehicle	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(vi)	Library Books	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(vii)	Miscellaneous Assets	0.01	-	-	0.01	-	-	0.01	0.01	-	-	-	0.01	-	-	
	Total B	0.08	-	-	0.08	-	-	0.07	0.07	0.01	-	-	0.08	-	0.01	
	Total A-B	146.02	18.65	2.31	161.74	0.92	6.73	83.44	87.36	10.12	4.40	4.38	97.50	61.92	74.38	

* Includes land of ₹ 0.37 crore on perpetual lease (Previous year ₹ 0.37 crore) hence no depreciation has been provided.

The lease (sub-lease)/ conveyance deeds in respect of certain properties (Land, Building and Flat) of the value of ₹ 37.23 crore (Area 16366.19 Sq. Mt.) (previous year ₹ 40.50 crore) are yet to be executed.

@ Title deed of the Immovable Properties are held in name of the Company.

NOTE 14C: CAPITAL WORK-IN-PROGRESS

S. No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NET BLOCK	
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments		At cost or fair value at the end of the year as at 31 st March, 2022	Addition during the year	Accumulated Depreciation and impairment as at the beginning of the year as at 1 st April, 2021	Adjustments		Accumulated Depreciation and impairment as at 31 st March, 2022	Addition during the year	Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2023	
				Addition	Deduction				Addition	Deduction					
	Capital Work in progress	17.49	-	-	0.23	17.26	0.22	-	-	-	-	-	17.48	17.26	
	Total	17.49	-	-	0.23	17.26	0.22	-	-	-	-	-	17.48	17.26	

(A) CAPITAL WORK IN PROGRESS AGEING SCHEDULE

S. No.	PROJECT NAME	As at 31 st March, 2022						As at 31 st March, 2023							
		AMOUNT IN CWIP FOR A PERIOD OF			AMOUNT IN CWIP FOR A PERIOD OF			AMOUNT IN CWIP FOR A PERIOD OF			AMOUNT IN CWIP FOR A PERIOD OF				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL	Less than 1 year	1-2 years	2-3 years	More than 3 years	TOTAL	Less than 1 year	1-2 years	2-3 years	More than 3 years
	PROJECT IN PROGRESS														
1	Calcutta salt lake building	-	-	-	2.82	2.82	-	-	-	-	-	-	-	-	2.82
2	Chandigarh-HUDA extension fee for plot at panchkula	-	-	-	0.01	0.01	-	-	-	-	-	-	-	-	0.01
3	Jaipur Building	-	-	-	4.35	4.35	-	-	-	-	-	-	-	-	4.35
4	Noida Plot	-	-	-	10.08	10.08	-	-	-	-	-	-	-	-	10.08
5	Vaishali Plot	-	-	-	-	-	0.22	-	-	-	-	-	-	-	0.22
	Total	-	-	-	17.26	17.26	-	-	-	-	0.22	-	-	-	17.48

(B) CAPITAL WORK IN PROGRESS WHOSE COMPLETION IS OVERDUE OR HAS EXCEEDED ITS COST COMPARED TO ITS ORIGINAL PLAN

(₹ in crore)

S.No.	PROJECT NAME*	As at 31 st March, 2022				As at 31 st March, 2023				
		TO BE COMPLETED IN			TOTAL	TO BE COMPLETED IN			TOTAL	
		Less than 1 year	1-2 years	2-3 years		More than 3 years	Less than 1 year	1-2 years		2-3 years
1	Calcutta salt lake building	-	-	2.82	2.82	-	-	-	2.82	2.82
2	Jaipur Building	-	-	4.35	4.35	-	-	-	4.35	4.35
3	Noida Plot	-	-	10.08	10.08	-	-	-	10.08	10.08
4	Vaishali Plot	-	-	-	-	-	-	-	0.22	0.22
5	Chandigarh-HUDA extension fee for plot at panchkula	-	-	-	-	-	-	-	0.01	0.01
	Total	-	-	17.25	17.25	-	-	-	17.48	17.48

• The above mentioned projects have exceeded the estimated timeline as per the original plan.

NOTE 14D: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in crore)

S. No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION						NETBLOCK		
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments	At cost or fair value at the end of the year as at 31 st March, 2022	Addition during the year	Adjustments	Accumulated Depreciation and impairment as at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments	Accumulated Depreciation and impairment as at the end of the period as at 31 st March, 2022	Addition	Deduction	Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2023	
	ERP Project	21.15	4.95	-	17.96	8.14	0.33	6.46	2.01	-	-	-	-	-	2.01	8.14
	Total	21.15	4.95	-	17.96	8.14	0.33	6.46	2.01	-	-	-	-	-	2.01	8.14

(A) INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

(₹ in crore)

S. No.	PROJECT NAME	As at 31 st March, 2022			As at 31 st March, 2023			TOTAL
		AMOUNT IN CWIP FOR A PERIOD OF			AMOUNT IN CWIP FOR A PERIOD OF			
		Less than 1 year	2-3 years	More than 3 years	Less than 1 year	2-3 years	More than 3 years	
	PROJECT IN PROGRESS							
1	ERP Project	2.73	2.48	1.01	1.92	0.33	1.68	2.01
	Total	2.73	2.48	1.01	1.92	0.33	1.68	2.01

(B) INTANGIBLE ASSETS UNDER DEVELOPMENT WHOSE COMPLETION IS OVERDUE OR HAS EXCEEDED ITS COST COMPARED TO ITS ORIGINAL PLAN

(₹ in crore)

S.No.	PROJECT NAME *	As at 31 st March, 2022			As at 31 st March, 2023			TOTAL
		TO BE COMPLETED IN			TO BE COMPLETED IN			
		Less than 1 year	2-3 years	More than 3 years	Less than 1 year	2-3 years	More than 3 years	
1	ERP Project	8.14	-	-	2.01	-	-	2.01
	Total	8.14	-	-	2.01	-	-	2.01

*The above mentioned project has exceeded the estimated timeline as per the original plan.

NOTE 14E: OTHER INTANGIBLE ASSETS

(₹ in crore)

S. No.	ITEMS	GROSS BLOCK						DEPRECIATION / AMORTISATION				NET BLOCK				
		At cost or fair value at the beginning of the year as at 1 st April, 2021	Addition during the year	Adjustments	At cost or fair value at the end of the year as at 31 st March, 2022	Addition during the year	Adjustments	Accumulated Depreciation and Impairment as at the end of the year as at 31 st April, 2021	Addition during the year	Adjustments	Accumulated Depreciation and Impairment as at the end of the year as at 31 st March, 2022	Addition during the year	Adjustments	Net carrying amount as at the end of the year as at 31 st March, 2022	Net carrying amount as at the end of the year as at 31 st March, 2023	
	INTANGIBLE															
(i)	Software	2.51	0.03	-	1.49	0.04	0.05	1.04	2.20	0.17	-	1.49	0.88	0.08	0.05	0.17
(ii)	ERP Project	0.00	0.97	-	0.97	6.63	-	7.60	-	0.05	-	-	0.05	0.20	-	0.92
	Total	2.51	1.00	-	1.49	6.67	0.05	8.64	2.20	0.22	-	1.49	0.93	0.28	0.05	1.09

NOTE 15: OTHER NON FINANCIAL ASSETS

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Advances		
(a)	Advance against Capital purchases	0.80	0.62
(b)	Advance against CSR Expenditure	1.81	3.66
(c)	Prepaid Expenses	2.70	1.75
(d)	Unamortized Deposit for Services	0.03	0.04
B	Other loans and advances		
(a)	Advances to Employees	15.70	17.36
(b)	Gratuity (Funded)	0.38	1.07
(c)	Income Tax payment under litigation	301.70	301.70
(d)	Service Tax payment under litigation	2.63	2.63
(e)	Less : Provision on Service tax	2.49	2.49
		0.14	0.14
(f)	Advance recoverable from others	16.08	17.90
(g)	Less : Provision	4.06	4.51
		12.02	13.39
	Total	335.28	339.73

NOTE 16: PAYABLES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Trade Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises	-	-
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	0.05	0.09
	Sub-total (A)	0.05	0.09
B	Other Payables		
(i)	Total outstanding dues of Micro Enterprises and Small Enterprises	0.20	0.29
(ii)	Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises *	7.69	9.26
	Sub-total (B)	7.89	9.55
	Total (A + B)	7.94	9.64

* Includes provision for stamp duty for the properties for which lease deed yet to be executed (Reference in foot note to Note 14B)

TRADE PAYABLE AGEING SCHEDULE

(₹ in crore)

S. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Balance as at 31st March, 2022					
(i)	MSME	0.29	-	-	-	0.29
(ii)	Others	3.58	1.28	0.38	4.11	9.35
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-
	Balance as at 31st March, 2023					
(i)	MSME	0.20	-	-	-	0.20
(ii)	Others	3.81	0.14	0.06	3.73	7.74
(iii)	Disputed dues - MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

NOTE 17 : DEBT SECURITIES

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023				As at 31 st March, 2022			
		Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through Profit or Loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
(A)	BONDS								
(a)	Secured								
(i)	Tax free bonds [Refer Note 17.1]	13,977.81	-	-	13,977.81	14,989.79	-	-	14,989.79
(ii)	Special priority sector bonds - I [Refer Note 17.1]	-	-	-	-	4.20	-	-	4.20
	Sub-total A (a) {(i) + (ii)}	13,977.81	-	-	13,977.81	14,993.99	-	-	14,993.99
(b)	Unsecured								
(i)	HUDCO Bonds - Non Cumulative redeemable at par [Refer Note 17.1]	14,214.28	-	-	14,214.28	19,446.92	-	-	19,446.92
(ii)	Special priority sector bonds - II [Refer Note 17.1]	-	-	-	-	9.27	-	-	9.27
(iii)	GOI Bonds [Refer Note 17.1]	20,000.00	-	-	20,000.00	20,000.00	-	-	20,000.00
	Sub-total A (b) {(i) + (ii) + (iii)}	34,214.28	-	-	34,214.28	39,456.19	-	-	39,456.19
	Total A{(a) + (b)}	48,192.09	-	-	48,192.09	54,450.18	-	-	54,450.18
(B)	Debt securities in India	48,192.09	-	-	48,192.09	54,450.18	-	-	54,450.18
	Debt securities outside India	-	-	-	-	-	-	-	-
	Total B	48,192.09	-	-	48,192.09	54,450.18	-	-	54,450.18
	Total (B) to tally with (A)	48,192.09	-	-	48,192.09	54,450.18	-	-	54,450.18

Note: The company has only "Amortized cost category" to present this schedule.

NOTE 17: (Contd.)**Details of Debt Securities**

S.No.	PARTICULARS	As at		As at
		31 st March, 2023	31 st March, 2022	
	BONDS			
(a)	SECURED			
(i)	TAX FREE BONDS			
	8.71% Tax free bonds 2013 (Tranche - III) Series - 3A *	24.03.2014	24.03.2034	8.76
	8.96% Tax free bonds 2013 (Tranche - III) Series - 3B *	24.03.2014	24.03.2034	41.54
	8.76% Tax free bonds 2013 (Tranche - II) Series - 3A *	13.01.2014	13.01.2034	286.54
	9.01% Tax free bonds 2013 (Tranche - II) Series - 3B *	13.01.2014	13.01.2034	671.16
	8.49% Tax free bonds 2013 (Tranche - I) Series - 3A *	25.10.2013	25.10.2033	35.51
	8.74% Tax free bonds 2013 (Tranche - I) Series - 3B *	25.10.2013	25.10.2033	88.85
	7.39% Tax free bonds 2015 (Tranche - II) Series - 2A ***	15.03.2016	15.03.2031	1,024.94
	7.69% Tax free bonds 2015 (Tranche - II) Series - 2B ***	15.03.2016	15.03.2031	610.05
	7.39% Tax free bonds 2015 (D) ***	22.02.2016	22.02.2031	211.50
	7.39% Tax free bonds 2015 (Tranche - I) Series - 2A ***	08.02.2016	08.02.2031	909.69
	7.64% Tax free bonds 2015 (Tranche - I) Series - 2B ***	08.02.2016	08.02.2031	556.15
	8.73% Tax free bonds 2013 (Tranche - III) Series - 2A *	24.03.2014	24.03.2029	28.47
	8.98% Tax free bonds 2013 (Tranche - III) Series - 2B *	24.03.2014	24.03.2029	128.42
	8.58% Tax free bonds 2013 (Tranche - II) Series - 2A *	13.01.2014	13.01.2029	127.39
	8.83% Tax free bonds 2013 (Tranche - II) Series - 2B *	13.01.2014	13.01.2029	123.75
	8.51% Tax free bonds 2013 (Tranche - I) Series - 2A *	25.10.2013	25.10.2028	799.27
	8.76% Tax free bonds 2013 (Tranche - I) Series - 2B *	25.10.2013	25.10.2028	815.00
	8.56% Tax free bonds 2013 Series - 1 *	02.09.2013	02.09.2028	190.80
	7.19% Tax free bonds 2012 (Tranche - II) Series - 2 *	28.03.2013	28.03.2028	109.39
	7.51% Tax free bonds 2012 (Tranche - I) Series - 2 *	16.02.2013	16.02.2028	1,274.24
	8.20% Tax free bonds 2011 (Tranche - I) Series - 2 *	05.03.2012	05.03.2027	2,518.30
	8.16% Tax free bonds 2011 (C - II) *	22.12.2011	22.12.2026	47.67
	7.83% Tax free bonds 2011 (B - II) *	11.11.2011	11.11.2026	66.51
	7.75% Tax free bonds 2011 (A - II) *	21.10.2011	21.10.2026	10.81
	7.04% Tax free bonds 2015 (Tranche - II) Series - 1A ***	15.03.2016	15.03.2026	48.16
	7.29% Tax free bonds 2015 (Tranche - II) Series - 1B ***	15.03.2016	15.03.2026	105.35

(₹ in crore)

NOTE 17: (Contd.)

S.No.	PARTICULARS	As at 31 st March, 2022	As at 31 st March, 2023
	7.02% Tax free bonds 2015 (Tranche - I) Series - 1A ***	08.02.2016	117.21
	7.27% Tax free bonds 2015 (Tranche - I) Series - 1B ***	08.02.2016	128.45
	7.00% Tax free bonds 2015 (C) **	09.10.2015	108.50
	7.07% Tax free bonds 2015 (B) **	01.10.2015	1,029.00
	7.19% Tax free bonds 2015 (A) **	31.07.2015	151.00
	8.29% Tax free bonds 2013 (Tranche - III) Series - 1A *	24.03.2014	18.37
	8.54% Tax free bonds 2013 (Tranche - III) Series - 1B *	24.03.2014	47.36
	8.51% Tax free bonds 2013 (Tranche - II) Series - 1A *	13.01.2014	504.93
	8.76% Tax free bonds 2013 (Tranche - II) Series - 1B *	13.01.2014	439.63
	8.14% Tax free bonds 2013 (Tranche - I) Series - 1A *	25.10.2013	269.58
	8.39% Tax free bonds 2013 (Tranche - I) Series - 1B *	25.10.2013	361.79
	7.03% Tax free bonds 2012 (Tranche - II) Series - 1 * (repaid on 28.03.2023)	28.03.2013	-
	7.34% Tax free bonds 2012 (Tranche - I) Series - 1 * (repaid on 16.02.2023)	16.02.2013	-
	Sub-Total A (a) (i)		14,014.04
	Unamortised fees, charges & Other Expenses		(36.23)
	Total A (a) (i)		13,977.81
(ii)	SPECIAL PRIORITY SECTOR BONDS - I	Date of Allotment	Date of Redemption
	SPS Bond series C (Bank of India) (repaid on 10.06.2022)	31.03.1998	10.06.2022
	Total A (a) (ii)		4.20
	Total A (a) {(i)+(ii)}		13,977.81

* The bonds are secured by a floating first pari-passu charge on the present & future receivables of the company to the extent of amount mobilised under the issue. However, the company reserves the right to create first pari-passu charge on the present and future receivable for its present and future financial requirements.

** The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of amount mobilised under the issue. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.

*** The bonds are secured by a first pari-passu charge on the present & future receivables of the company to the extent of the amount mobilised under the issue and interest thereon. The Company reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a first/second charge on pari-passu basis thereon for its present and future financial requirements, without requiring the consent of, or intimation to, the Bondholders or the Debenture Trustee in this connection, provided that a minimum security cover of 1 (one) time is maintained.

NOTE 17: (Contd.)

S.No.	PARTICULARS			As at 31 st March, 2023	As at 31 st March, 2022
(b)	UNSECURED BONDS				
(i)	HUDCO Bonds- Non Cumulative redeemable at par	Date of Allotment	Date of redemption		
	7.52% Taxable (B) 2022	19.12.2022	15.04.2033	470.00	-
	6.75% Taxable (D) 2020	29.05.2020	29.05.2030	1,040.00	1,040.00
	7.68% Taxable (C) 2022	16.02.2023	16.05.2026	2,000.00	-
	7.54% Taxable (A) 2022	11.11.2022	11.02.2026	1,500.00	-
	5.62% Taxable (B) 2021	25.03.2022	25.05.2025	1,500.00	1,500.00
	5.35% Taxable (E) 2020	04.08.2020	11.04.2025	800.00	800.00
	5.59% Taxable (A) 2021	22.02.2022	04.03.2025	1,000.00	1,000.00
	4.78% Taxable (F) 2020	28.12.2020	28.02.2024	940.00	940.00
	5.95% Taxable (C) 2020	12.05.2020	11.08.2023	1,470.00	1,470.00
	6.09% Taxable (B) 2020	24.04.2020	24.06.2023	1,500.00	1,500.00
	6.65% Taxable (A) 2020	15.04.2020	15.06.2023	600.00	600.00
	6.79% Taxable (F) 2019	17.01.2020	14.04.2023	1,400.00	1,400.00
	6.99% Taxable (E) 2019 (repaid on 11.11.2022)	11.09.2019	11.11.2022	-	1,370.00
	7.05% Taxable (D) 2019 (repaid on 13.10.2022)	13.08.2019	13.10.2022	-	1,190.00
	7.34% Taxable (C) 2019 (repaid on 16.09.2022)	18.07.2019	16.09.2022	-	1,250.00
	7.62% Taxable (B) 2019 (repaid on 15.07.2022)	20.06.2019	15.07.2022	-	1,000.00
	8.34% Taxable (E) 2018 (repaid on 11.07.2022)	11.01.2019	11.07.2022	-	1,000.00
	7.61% Taxable (A) 2019 (repaid on 22.06.2022)	07.06.2019	22.06.2022	-	1,485.00
	8.23% Taxable (D) 2018 (repaid on 13.04.2022)	28.12.2018	15.04.2022	-	930.00
	8.40% Taxable (C) 2018 (repaid on 11.04.2022)	11.12.2018	11.04.2022	-	980.00
	Sub-Total A (b) (i)			14,220.00	19,455.00
	Unamortised fees, charges & Other Expenses			(5.72)	(8.08)
	Total A (b) (i)			14,214.28	19,446.92
(ii)	Special Priority Sector Bonds - II	Date of Allotment	Date of redemption		
	SPS Bonds - II (Exim Bank) (repaid on 15.06.2022)	06.12.1999	15.06.2022	-	9.27
	Total A (b) (ii)			-	9.27

NOTE 17: (Contd.)

S.No.	PARTICULARS	Date of Allotment	Date of redemption	As at 31 st March, 2023	As at 31 st March, 2022
(iii)	PMAY (U) GOI Fully Serviced Bonds #				
	8.37% Taxable (VI) 2018 @	25.03.2019	25.03.2029	5,000.00	5,000.00
	8.41% Taxable (V) 2018 @	15.03.2019	15.03.2029	5,320.00	5,320.00
	8.58% Taxable (IV) 2018 @	14.02.2019	14.02.2029	2,563.10	2,563.10
	8.38% Taxable (III) 2018 @	30.01.2019	30.01.2029	2,066.90	2,066.90
	8.52% Taxable (II) 2018 @	28.11.2018	28.11.2028	2,050.00	2,050.00
	8.60% Taxable (I) 2018 @	12.11.2018	12.11.2028	3,000.00	3,000.00
				20,000.00	20,000.00
	Unamortised fees, charges & Other Expenses			-	-
				20,000.00	20,000.00
				34,214.28	39,456.19
@	Interest payable on semi-annual basis.				
#	Repayment of Principal & Interest payment in respect of Loans of ₹20,000 crore extended to BMTPC, raised by issue of "Government of India fully serviced Bonds" shall be met by Government of India by making suitable provisions in the budget of Ministry of Housing and Urban Affairs.				

NOTE 18: BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023				As at 31 st March, 2022			
		Amortised Cost (1)	At fair value through Profit or Loss (2)	Designated at fair value through profit or loss (3)	Total (4)	Amortised Cost (1)	At fair value through Profit or Loss (2)	Designated at fair value through profit or loss (3)	Total (4)
A	Term loans								
I	Secured								
(a)	From Banks (Refer Note 18.1)	-	-	-	-	6.36	-	-	6.36
(b)	From other parties								
(i)	National Housing Bank (Refer Note 18.1 and 18.5)	777.14	-	-	777.14	1,024.92	-	-	1,024.92
	Total Secured Loan A-I	777.14	-	-	777.14	1,031.28	-	-	1,031.28
II	Unsecured								
(a)	From Banks (Refer Note 18.1 and 18.2)								
(i)	Mid-Term/ Long Term loan(s)	12,088.15	-	-	12,088.15	2,000.00	-	-	2,000.00
(ii)	Short-term loans/ Loans repayable on demand	1,769.50	-	-	1,769.50	2,582.57	-	-	2,582.57
(b)	From Other Parties								
(i)	Loans from Financial Institutions :								
	India Infrastructure Finance Company Ltd. (Refer Note 18.1)	-	-	-	-	1,294.00	-	-	1,294.00
(ii)	Foreign Currency Borrowings from (Refer Note 18.1, 18.3 and 18.4)								
	Asian Development Bank	-	-	-	-	32.80	-	-	32.80
	Japan International Cooperation Agency (JICA) {Formerly Japan Bank for International Corporation (JBIC)}	1.52	-	-	1.52	27.18	-	-	27.18
	Loan from US Capital Market :								
	-USAID I	13.99	-	-	13.99	16.48	-	-	16.48
	-USAID-II	60.98	-	-	60.98	64.65	-	-	64.65
	Total Unsecured Loans A-II	13,934.14	-	-	13,934.14	6,017.68	-	-	6,017.68
	Total (A)	14,711.28	-	-	14,711.28	7,048.96	-	-	7,048.96
B	Borrowings in India								
	Borrowings outside India	14,634.79	-	-	14,634.79	6,907.85	-	-	6,907.85
		76.49	-	-	76.49	141.11	-	-	141.11
	Total (B) to tally with (A)	14,711.28	-	-	14,711.28	7,048.96	-	-	7,048.96

Note: The company has only amortised cost category to present this schedule.

18.1 Sub-Details of Borrowings

S.No.	Particulars	As at 31.03.2023		As at 31.03.2022		Redemption/ Repayment Details
		Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	
I	Term Loans					
	Secured					
(a)	From Banks					
	Bank of India (Repaid on 10.06.2022)	-	-	6.36	6.36	Repayable in semi-annual instalments from 10.12.2002 to 10.06.2022
	Sub-Total I (a)	-	-	6.36	6.36	
(b)	From other parties					
	National Housing Bank					
	TL-I	384.40	384.40	487.00	487.00	Repayable in quarterly instalments starting from 01.07.2017 and ending on 01.01.2027
	TL-II (Prepaid on 29.07.2022)	-	-	33.86	33.86	Repayable in quarterly instalments starting from 01.10.2017 and ending on 01.04.2027
	TL-III	217.74	217.74	269.06	269.06	Repayable in quarterly instalments starting from 01.01.2018 and ending on 01.07.2027
	TL-IV	175.00	175.00	235.00	235.00	Repayable in quarterly instalments starting from 01.10.2019 and ending on 01.04.2026
	Sub-Total I (b)	777.14	777.14	1,024.92	1,024.92	
	Total Secured Loans (I)(a+b)	777.14	777.14	1,031.28	1,031.28	
II	Unsecured					
(a)	From Banks					
(i)	Mid-Term/ Long Term loan(s)					
1	Punjab National Bank-TL-I (1st Installment of ₹333.33 Crore repaid on due date)	666.66	666.66	1,000.00	1,000.00	Repayable in three equal instalments falling due on 25.03.2023, 25.03.2024 & 25.12.2024
2	Punjab National Bank-TL-II	1,000.00	1,000.00	-	-	Repayable in three equal instalments falling due on 18.06.2023, 18.06.2024 & 18.04.2025
3	Punjab National Bank-TL-III	2,000.00	2,000.00	-	-	Repayable in three equal instalments falling due on 16.09.2023, 16.09.2024 & 16.08.2025
4	Punjab National Bank-TL-IV	1,500.00	1,500.00	-	-	Repayable in two instalments falling due on 27.09.2024 & 27.02.2026
5	Union Bank of India-TL	2,000.00	2,000.00	1,000.00	1,000.00	Bullet repayment at the end of tenor i.e., on 28.01.2025
6	Canara Bank-TL-I	1,166.99	1,166.99	-	-	Bullet repayment at the end of tenor i.e., on 22.05.2025
7	Canara Bank-TL-II	333.00	333.00	-	-	Bullet repayment at the end of tenor i.e., on 24.05.2025

S.No.	Particulars	As at 31.03.2023		As at 31.03.2022		Redemption/ Repayment Details
		Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	
8	Karnataka Bank-TL	500.00	500.00	-	-	Bullet repayment at the end of tenor i.e., on 01.10.2024
9	Indian Overseas Bank-TL	1,000.00	1,000.00	-	-	Bullet repayment at the end of tenor i.e., on 26.11.2025
10	South Indian Bank-TL	200.00	200.00	-	-	Bullet repayment at the end of tenor i.e., on 28.11.2025
11	Bank of India-TL-I	500.00	500.00	-	-	Bullet repayment at the end of tenor i.e., on 26.12.2025
12	Bank of India-TL-II	500.00	500.00	-	-	Bullet repayment at the end of tenor i.e., on 27.03.2026
13	Central Bank of India-TL	721.50	721.50	-	-	Bullet repayment at the end of tenor i.e., on 27.05.2025
	Sub- Total II (a) (i)	12,088.15	12,088.15	2,000.00	2,000.00	
(ii)	Short Term loans/ Loans repayable on demand from Banks					
1	State Bank of India	-	-	612.07	612.07	Repaid during FY 2022-23
2	Union Bank of India	-	-	1,000.00	1,000.00	Repaid during FY 2022-23
3	Punjab National Bank	-	-	970.50	970.50	Repaid during FY 2022-23
4	Union Bank of India	1,295.50	1,295.50	-	-	Repayable on or before 28.06.2023
5	Punjab National Bank	474.00	474.00	-	-	Repayable on or before 20.06.2023
	Sub- Total II (a) (ii)	1,769.50	1,769.50	2,582.57	2,582.57	
(b)	From Other Parties					
(i)	Loans from Financial Institutions :					
	India Infrastructure Finance Company Ltd. (Repaid on 17.03.2023)	-	-	1,294.00	1,294.00	Bullet Repayment at the end of tenor
	Sub- Total II (b) (i)	-	-	1,294.00	1,294.00	
(ii)	Foreign Currency Borrowings:					
a	Asian Development Bank (Guaranteed by Government of India) (Currently Outstanding - NIL, , Repaid on 15.06.2022, Previous year - US \$ 4.28 mn)	-	-	32.42	32.80	Repayable in unequal semi-annual instalment(s) on December 15th and June 15th of every year from 2002 to 2022. Due for repayment by 15.06.2022
b	Japan International Cooperation Agency (JICA) {Formerly Japan Bank for International Corporation (JBIC)} (Guaranteed by Govt. of India) -Swapped with MUFG (Currently outstanding- JPY 24.678 mn , Previous Year -Nil) -Unswapped Portion (Currently outstanding- NIL, Previous Year -JPY 447.604 mn)	1.53	1.52	-	-	Repayable in semi-annual instalment(s) on January 20th and July 20th of each year from 2006 to 2023. Due for repayment by 20.07.2023
				27.86	27.18	

S.No.	Particulars	As at 31.03.2023		As at 31.03.2022		Redemption/Repayment Details
		Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	Amount Outstanding (₹ in crore)	Amortised Cost (₹ in crore)	
c	Loan from US Capital Market (Guaranteed by USAID & Counter Guaranteed by Canara Bank)					
	-USAID-I	14.17	13.99	16.35	16.48	Repayable in 40 equal consecutive semiannual instalments commencing on 23.03.2010 and ending on 23.09.2029
	-USAID-II					
	-Swaped with ICI Bank (Currently Outstanding - NIL, swap matured on 14.09.2022, Previous Year - US \$ 0.50 mn)			3.43	3.79	
	-Unswapped Portion (Currently outstanding - US \$ 7.50 mn, Previous Year - US \$ 8.00 mn)	61.66	60.98	60.65	60.86	Repayable in 40 equal consecutive semi-annual instalments commencing on 15.03.2011 and ending on 15.09.2030
	Sub- Total II (b) (ii)	77.36	76.49	140.71	141.11	
	Total Unsecured Loans (II) (a+b)	13,935.01	13,934.14	6,017.28	6,017.68	
	Total Term Loans (I+II)	14,712.15	14,711.28	7,048.56	7,048.96	

18.2 Outstanding Mid-Term/ Long-term loan(s) from Banks as mentioned at 18.1 (II)(a)(i) have been raised at floating interest rates linked to external benchmarks viz. Repo Rate and T-Bill, ranging between 6.87% to 7.69% per annum per month.

18.3 Foreign Currency Borrowings as mentioned at 18.1 (II) (b)(ii) availed from JICA carries fixed interest rate of 2.10% per annum. Further, Loan from US Capital Market carries an interest rate spread ranging from 0.18% to 0.035% per annum over SOFR (Secured Overnight Financing Rate) and Credit Adjustment spread as applicable on transition of loans to new benchmark rates.

18.4 The loan availed from US Capital Market (USAID-I) as mentioned above at 18.1 (II)(b)(ii) had been swapped with Exim Bank and under the swap arrangement with EXIM Bank, HUDCO has remitted US \$ 10 million (Currently outstanding US \$ 3.25 million, Previous year - US \$ 3.75 million) to EXIM Bank, against which EXIM Bank has subscribed to 12.75% HUDCO Special Infrastructure Bonds (II) (rate of interest for the next 7 years reset to 12.50% w.e.f. 23.09.2020) amounting to ₹ 43.60 crore (Currently outstanding ₹ 14.17 crore, Previous year - ₹ 16.35 crore) which are co-terminus with the loan maturity schedule of the underlying USAID guaranteed loan.

18.5 Loan from National Housing Bank as mentioned at Note 18.1 (I) (b) is secured by Bank guarantee for an amount of ₹ 600 crore (previous year ₹ 600.00 crore) [being 25% of loan amount of ₹ 2,400 crore (previous year ₹ 2,400 crore) sanctioned/disbursed by NHB and repayable upto 01.07.2027] and negative lien on all properties, assets, receivables etc. of HUDCO both present and future, except those on which the first exclusive charge is created in favour of the trustees to the secured tax free bonds of ₹ 5,000 crore mobilised during 2011-12, ₹ 2,401.3526 crore mobilised during 2012-13, ₹ 4,987.12 crore mobilised during 2013-14 and ₹ 5,000 crore mobilised during 2015-16.

NOTE 19: DEPOSITS

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023				As at 31 st March, 2022			
		Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	Amortised Cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
		(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
A	Public Deposits @ 6.75% to 7.80% p.a. [Refer Details of Deposits]	1.71	-	-	1.71	3.90	-	-	3.90
	TOTAL (A)	1.71	-	-	1.71	3.90	-	-	3.90

Note: The company has only "Amortised cost category" to present this schedule.

Details of Deposits

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	PUBLIC DEPOSITS (Current)		
(i)	@ 6.75% p.a. to 7.80% p.a. [Refer Sub Details of Deposits] Repayable with in one year	1.64	2.25
	PUBLIC DEPOSITS (Non-Current)		
(ii)	@ 6.75% p.a. to 7.80% p.a. [Refer Sub Details of Deposits] Repayable after period of one year	0.07	1.65
	TOTAL A	1.71	3.90

Sub Details of Deposits

(₹ in crore)

S.No.	Institution/ Date of drawal	Amount Outstanding in ₹ in crore	Redemption Details
A	Public Deposits repayable for more than 12 months		
	- April, 2024 - March, 2025	0.07	Repayable after period of one year
	Sub Total A	0.07	
B	Public Deposits repayable within 12 months		
	- October, 2023 to March, 2024	0.97	Repayable within one year
	- September, 2023	0.16	
	- August, 2023	0.01	
	- July, 2023	0.20	
	- June, 2023	0.15	
	- May, 2023	0.05	
	- April, 2023	0.10	
	Sub Total B	1.64	
	Total Public Deposits *	1.71	

*Ind-AS Adjustments in Total Public Deposits is for ₹ 0.0010 crore. Brokerage has been amortised on SLM basis.

NOTE 20: OTHER FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Interest accrued but not due		
(i)	Secured loans	285.90	294.38
(ii)	Unsecured loans	638.74	856.03
	Sub-total (A)	924.64	1,150.41
B	Others		
(i)	Security and other deposits	11.66	10.48
(ii)	Security, Earnest money and other deposits	1.35	1.76
(iii)	Unclaimed liability #		
(a)	- Dividend	1.34	0.86
(b)	- Bonds	3.95	0.26
(c)	- Public Deposits	0.17	0.19
(d)	- Interest accrued and due on Bonds	9.42	10.19
(e)	- Interest accrued and due on Public Deposits	0.03	0.02
(iv)	KfW R & D account	37.29	38.50
(v)	KfW Interest account	9.87	9.87
(vi)	Amount received from KfW	97.55	97.55
(vii)	Grant / Subsidy received from different Ministries/Agencies	8.98	6.71
(viii)	Amt payable to Ministry - BCP	1.32	1.30
(ix)	Amount Payable to Staff	79.63	129.48
(x)	Other Expenses on Borrowings Payable	0.01	0.02
(xi)	Interim Dividend Payable	-	26.19
(xii)	Others Liabilities *	16.54	160.12
	Sub-total (B)	279.11	493.50
	Total (A + B)	1,203.75	1,643.91
*	Includes ₹ 0.03 crore (Previous year ₹ 0.03 crore) on account of Andrews Ganj Project		
#	Liability towards Investors Education and Protection Fund (IEPF) under Section 125 of the Companies Act, 2013 will be determined on the respective due dates. Dividend on equity shares and Principal & interest on Debentures/ Bonds/ PDS aggregating to ₹ 14.90 crore (Previous Year ₹ 11.52 crore) were due and unclaimed as on 31 st March, 2023. During the year 2022-23 an amount of ₹ 1.88 crore (previous year 0.03 crore) has been transferred to IEPF after completion of statutory period of seven years. (Refer S.No. 17 of Note 40- Explanatory Notes)		

NOTE 21: PROVISION

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Provision for employee benefits		
(i)	Leave encashment	55.53	51.21
(ii)	Post retirement medical benefit	229.01	200.71
(iii)	Welfare expenses	1.77	1.34
(iv)	Gratuity (Funded)	-	-
(v)	Provident Fund (Funded)	(4.33)	38.51
	Sub-total (A)	281.98	291.77
B	Others		
(i)	Provision for CSR	60.54	47.67
	Total (A+B)	342.52	339.44

NOTE 22: DEFERRED TAX LIABILITY

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Deferred Tax Liabilities	1,702.01	1,563.93
B	Deferred Tax Assets	695.89	720.32
	Net Deferred Tax Liabilities (A - B)	1,006.12	843.61

Details of Deferred Tax

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
	Liabilities		
(a)	Derivative Financial Instruments	-	0.08
(b)	Investments	25.94	25.56
(c)	Investment Property, Plant and Equipment	4.60	4.35
(d)	Other Non-Financial Assets	2.72	3.11
(e)	Debt Securities	8.55	10.84
(f)	Deposits	-	-
(g)	Other Financial Liabilities	0.35	0.36
(h)	Other Equity	1,659.63	1,519.63
(j)	Borrowings	0.22	-
	Total Deferred Tax Liabilities	1,702.01	1,563.93
	Assets		
(a)	Loans	621.48	641.65
(b)	Receivable	3.14	4.82
(c)	Other Financial Assets	0.01	0.01
(d)	Other Non-Financial Liabilities	0.29	0.31
(e)	Borrowings	-	0.10
(f)	Provisions	70.97	73.43
	Total Deferred Tax Assets	695.89	720.32
	Net Deferred Tax Liability	1,006.12	843.61

NOTE 23: OTHER NON-FINANCIAL LIABILITIES

(₹ in crore)

S.No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Amount received in advance	9.24	9.32
B	Other Liabilities	32.49	66.21
C	Revenue received in advance	2.85	2.95
D	Unamortised Deferred Security Deposit	1.16	1.22
E	Finance Lease Liability	-	-
	Total	45.74	79.70

NOTE 24: EQUITY SHARE CAPITAL

(₹ in crore)

S. No.	PARTICULARS	As at 31 st March, 2023	As at 31 st March, 2022
A	Authorised 2,500,000,000 equity shares of ₹ 10/- each (previous year 2,500,000,000 equity shares of ₹ 10/- each)	2,500.00	2,500.00
B	Issued, Subscribed and Paid up 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash (previous year 2,001,900,000 equity shares of ₹ 10/- each fully paid-up in cash)	2,001.90	2,001.90
		2,001.90	2,001.90

Note 24 (a) Reconciliation of the number of outstanding equity shares :

The reconciliation of the number of shares outstanding and the amount of the share capital as at the beginning and at the end of the year.

S.No.	PARTICULARS	As at 31 st March, 2023		As at 31 st March, 2022	
		Number of Shares	(₹ in crore)	Number of Shares	(₹ in crore)
(a)	Shares at the beginning of the year	2,00,19,00,000	2,001.90	2,00,19,00,000	2,001.90
(b)	Add: Shares issued during the year	-	-	-	-
(c)	Shares at the end of the year (c) = (a+b)	2,00,19,00,000	2,001.90	2,00,19,00,000	2,001.90

Note 24 (b) Rights attached to Equity Shares :

The shareholders of the Company are entitled to receive dividend as and when declared by the company and enjoy proportionate voting rights in case any resolution is put to vote. Further, the shareholders have all such rights, as may be available to the shareholders of a listed company, under the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Memorandum of Association and Articles of Association of the Company.

Note 24 (c) Shares in the company held by each shareholder holding more than 5 percent shares:

S.No.	Name of Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
		Number of Shares held	% of Holding	Number of Shares held	% of Holding
1	The President of India through :				
	(a) Ministry of Housing and Urban Affairs	1,22,26,77,479	61.08	1,22,26,77,479	61.08
	(b) Ministry of Rural Development	41,50,00,000	20.73	41,50,00,000	20.73
	Sub Total 1 (a+b)	1,63,76,77,479.00	81.81	1,63,76,77,479.00	81.81
2	Public Shareholding				
	(a) Life Insurance Corporation of India	11,57,45,860	5.78	11,57,45,860	5.78
	(b) Others	24,84,76,661	12.41	24,84,76,661	12.41
	Sub Total 2 (a+b)	36,42,22,521	18.19	36,42,22,521	18.19
	Total (1+2)	2,00,19,00,000.00	100.00	2,00,19,00,000.00	100.00

NOTE 24 : (Contd.)**Note 24 (d) Shares in the company held by Promoters:**

S. No.	Name of Shareholder	As at 31 st March, 2023		% Change during the year
		Number of shares held	% of Holding	
1	The President of India through :			
	(a) Ministry of Housing and Urban Affairs	1,22,26,77,479	61.08	Zero
	(b) Ministry of Rural Development	41,50,00,000	20.73	Zero
	Total 1 (a+b)	1,63,76,77,479.00	81.81	Zero

S. No.	Name of Shareholder	As at 31 st March, 2022		% Change during the year
		Number of shares held	% of Holding	
1	The President of India through :			
	(a) Ministry of Housing and Urban Affairs	1,22,26,77,479	61.08	Zero
	(b) Ministry of Rural Development	41,50,00,000	20.73	Zero
	Total 1 (a+b)	1,63,76,77,479.00	81.81	Zero

NOTE 25: SCHEDULE OF CHANGE IN EQUITY : OTHER EQUITY

(₹ in crore)

S.No.	Particulars	Reserves and Surplus										Total
		Securities Premium (Bonds) *	Debtenture/ Bond Redemption Reserve **	Special Reserve ***	Special Reserve ***/ u/s 29C	Impairment Reserve#	Capital (KW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	General Reserve	Retained Earning Surplus	
1	Balance as at 1 st April, 2021	1.26	3,876.87	5,235.19	-	161.81	59.96	72.07	89.00	1,405.08	285.03	11,185.84
	Less: Impairment in investment in Associates									(0.44)	(285.27)	(285.27)
	Final Dividend for the year 2020-21										1,716.41	1,716.41
	Profit during FY 2021-22										(1.92)	(1.92)
	Other Comprehensive Income for the year 2021-22										1,714.49	1,714.49
	Total Comprehensive Income for the year 2021-22											
	Transferred to from Surplus to General Reserve										-	-
	Transferred to from Surplus to Impairment Reserve					60.17					(60.17)	-
	Transferred from Surplus to DRR		331.51								(331.51)	-
	Transferred from Surplus to Reserve for Bad & Doubtful Debt							120.00			(120.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver										-	-
	Transferred from Surplus to Special Reserve			500.00							(500.00)	-
	Transferred to General Reserve		(1,083.20)							1,083.20		-
	Interim Dividend during FY 2021-22										(150.14)	(150.14)
2	Balance as at 1 st April, 2022	1.26	3,125.18	5,735.19	-	221.98	59.96	72.07	209.00	2,487.85	552.43	12,464.92
	Final Dividend for the year 2021-22										(550.52)	(550.52)
	Profit during FY 2022-23										1,701.43	1,701.43
	Other Comprehensive Income for the year 2022-23										24.74	24.74
	Total Comprehensive Income for the year 2022-23										1,726.17	1,726.17
	Transferred to from Surplus to General Reserve										-	-
	Transferred to from Surplus to Impairment Reserve					67.88					(67.88)	
	Transferred from Surplus to DRR		280.63								(280.63)	-
	Transferred from Surplus to Reserve for Bad & Doubtful Debt								105.00		(105.00)	-
	Use of Reserve for Bad & Doubtful Debts against Principal Waiver								(48.77)		-	(48.77)

NOTE 25: (Contd.)

S.No.	Particulars	Reserves and Surplus										Total		
		Securities Premium (Bonds) *	Debtenture/ Bond Redemption Reserve **	Special Reserve ***	Special Reserve u/s 29C ***	Impairment Reserve#	Capital (KW) Reserve	Welfare Reserve	Reserve for Bad & Doubtful Debt	General Reserve	Surplus			
	Transferred from Surplus to Special Reserve			500.00									(500.00)	-
	Transferred to General Reserve		(508.86)									508.86	-	
	Interim Dividend during FY 2022-23												(150.14)	
3	Balance as at 31st March, 2023	1.26	2,896.95	6,235.19	-	289.86	59.96	72.07	265.23	2,996.71	624.43	(150.14)	13,441.66	
*	Securities Premium Account represent the premium received on issue of Tax Free Bonds through private placement.													
**	1) Prior to the issuance of circular No. 04/2013 dated 11.02.2013, issued by the Ministry of Corporate Affairs (MCA), the company had to create a Debenture / Bond Redemption Reserve (DRR / BRR) equivalent to 50% of the value of bonds issued (based on repayment tenure of respective bonds) through public issue, before the commencement of redemption of respective bonds as per the then prevalent SEBI Debt Regulations and Section 117 C of the Companies Act, 1956. The creation of DRR / BRR was revised to 25% after issuance of the above circular													
**	2) The company, accordingly, has created proportionate Debenture / Bond Redemption Reserve on Bonds issued upto the financial year 2012-13, equivalent to 50% on yearly basis, before commencement of redemption of respective bonds; and equivalent to 25% on bonds issued during the financial year 2013-14 and 2015-16.													
***	Created u/s 36(1) (viii) of the Income Tax Act, 1961 and u/s 29C of NHB Act, 1987 (upto Financial Year 1996-97) amounting to ₹ 181.75 crore and Created and Maintained u/s 36(1) (viii) of the Income Tax Act, 1961 and 29C of NHB Act, 1987 from Financial Year 1997-98 onwards) amounting to ₹ 6053.44 crore.													
#	Refer Point no. 5 of Explanatory Note 40.													

NOTE 26: INTEREST INCOME

(₹ in crore)

S. No.	PARTICULARS	Year Ended 31 st March, 2023			Year Ended 31 st March, 2022		
		On Financial Assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss	On Financial Assets measured at fair value through OCI	On financial assets measured at Amortised cost	Interest Income on securities classified as sets at fair value through Profit & Loss
(i)	Interest on Loans	-	6,959.91	-	-	6,870.48	-
	Less: Interest waived off	-	2.88	-	-	0.18	-
	Net Interest on Loan - Sub Total (i)	-	6,957.03	-	-	6,870.30	-
(ii)	Interest Income from Investments	-	14.34	-	-	0.24	-
(iii)	Interest on Deposits with Banks						
	- Scheduled Bank - Indian Branches	-	12.02	-	-	17.12	-
	- Scheduled Bank - Foreign Branches	-	0.03	-	-	0.21	-
	- Financial Institution - EXIM BANK	-	0.02	-	-	0.18	-
	Interest on Deposit and Loan - Sub Total (iii)	-	12.07	-	-	17.51	-
(iv)	Interest on Loan against Public Deposits	-	-	-	-	-	-
(v)	Others - PPE Finance Lease Liability	-	-	-	-	-	-
	Total (i+ii+iii+iv+v)	-	6,983.44	-	-	6,888.05	-

Note: Includes interest income on loan of ₹ 20,000 Crore extended to BMTPC, raised by issue of "GOI fully service bonds" as Central Assistance to State/UTs/CNAs for implementation of PMAY (U).

NOTE 27: NET GAIN/ (LOSS) ON FAIR VALUE CHANGE

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
A	Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
(ii)	On financial instruments designated at fair value through profit or loss		
	- Investments	7.75	12.65
	- Derivatives	(0.29)	(0.34)
	Total A	7.46	12.31
B	Total Net gain/(loss) on fair value changes		
(i)	Fair Value changes:		
	-Realised	-	-
	-Unrealised	7.46	12.31
	Total Net gain/(loss) on fair value changes(B) to tally with (A)	7.46	12.31

Note: Fair value changes in this schedule are other than those arising on account of interest income/expenses.

NOTE 28: OTHER INCOME

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023	Year Ended 31 st March, 2022
(i)	Net gain/(loss) on derecognition of property, plant and equipment	-	-
(ii)	Net gain on foreign currency transaction and translation (other than finance cost)	-	0.38
(iii)	Profit on sale of fixed assets (Net)	0.07	-
(iv)	Interest on Staff Advances	3.31	4.18
(v)	Interest on Income tax Refund	-	-
(vi)	Interest on Construction Project	28.51	28.02
(vii)	Overhead Charges on Construction Project	0.05	0.06
(viii)	Management Development Programme	0.47	0.04
(ix)	Miscellaneous Income	4.12	10.84
(x)	Excess Provision of Interest on short Income tax written back	0.19	0.06
	Total	36.72	43.58

NOTE 29: FINANCE COSTS

(₹ in crore)

S. No.	Particulars	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		On financial liabilities measured at fair value through Profit & Loss	On financial liabilities measured at Amortised cost	On financial liabilities measured at Amortised cost	On financial liabilities measured at fair value through Profit & Loss
(i)	Interest on Debt Securities				
	a.) Secured	-	1,194.06	-	1,376.43
	b.) Unsecured	-	2,599.36	-	2,970.00
(ii)	Interest on borrowings (other than Debt Securities)				
	a.) Secured	-	45.61	-	60.94
	b.) Unsecured				
	- Indian	-	659.58	-	119.13
	- Foreign	-	4.33	-	4.52
(iii)	Interest on Deposits	-	0.30	-	1.01
(iv)	Interest on Income Tax	-	0.60	-	0.50
(v)	Net Loss in Foreign Currency Translation and Transaction	-	3.26	-	-
(vi)	Interest on Security Deposit & Deposit for Services	-	(0.02)	-	(0.01)
(vii)	PDS Brokerage	-	-	-	0.01
	TOTAL	-	4,507.08	-	4,532.53

NOTE 30: IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in crore)

S. No.	PARTICULARS	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	On financial Instruments measured at fair value through OCI	On financial instruments measured at Amortised cost
(i)	Loans	-	(73.16)	-	(249.55)
(ii)	Investments	-	-	-	-
(iii)	Other Assets	-	(0.53)	-	3.89
(iv)	Principal Waiver / Written Off	-	-	-	-
	Total	-	(73.69)	-	(245.66)

NOTE 31: EMPLOYEE BENEFITS EXPENSES

(₹ in crore)

S. No.	PARTICULARS	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		Directors *	Total	Directors *	Total
(i)	Salaries and wages	0.89	167.76	0.82	193.86
(ii)	Gratuity	-	2.27	-	2.65
(iii)	Contribution to provident and other funds	0.08	4.70	0.07	11.33
(iv)	Staff welfare expenses	0.01	3.29	0.02	1.92
(v)	Insurance	-	0.49	-	0.45
(vi)	Group saving linked Insurance premium	-	0.02	-	0.02
(vii)	Staff Development/Training	-	0.08	-	0.05
(viii)	Administrative Charges - Provident/HUDCO Pension Fund	-	0.48	-	0.44
(ix)	HUDCO Pension Fund	-	7.43	-	6.78
(x)	Contribution to Benevolent Fund	-	0.10	-	0.59
	Total	0.98	186.62	0.91	218.09

* Includes provision/payment for directors and included in "TOTAL".

Note: The expenditure of salaries & wages is inclusive of expenditure on EL/HPL paid or payable.

NOTE 32: OTHER EXPENSES

(₹ in crore)

S.No.	PARTICULARS	Year Ended 31 st March, 2023		Year Ended 31 st March, 2022	
		Directors	Total	Directors	Total
A	ADMINISTRATIVE				
(i)	Office Rent	-	1.56	-	1.55
(ii)	Repairs & Maintenance to Building	-	11.86	-	12.19
(iii)	Repairs & Maintenance to Other Assets	-	1.45	-	1.14
(iv)	Repairs & Maintenance to Vehicle	-	0.31	-	0.29
(v)	Loss on sale of Investment	-	-	-	-
(vi)	Insurance	-	0.10	-	0.12
(vii)	Rates & Taxes	-	3.16	-	3.25
(viii)	Travelling	0.28	2.73	0.08	1.70
(ix)	Legal & Professional Fee	-	4.35	-	2.69
(x)	Auditors Remuneration :				
(a)	Audit Fees				
	- Current Year	-	0.23	-	0.23
	- Previous Year (Arrears)	-	-	-	-
(b)	Tax Audit Fees	-	-	-	-
	- Current Year	-	0.10	-	0.10
	- Previous Year (Arrears)	-	-	-	-
(c)	Other Services	-	0.21	-	0.18
(d)	Reimbursement of expenses	-	-	-	-
(xi)	Electricity	-	2.09	-	2.48
(xii)	Printing, Stationery & Photocopying	-	0.51	-	0.47
(xiii)	Postage, Telegram, Telephone & Telex	-	1.37	-	1.73
(xiv)	Advertisement, Publicity & Sponsorship	-	2.21	-	1.19
(xv)	Exhibition & Conference (Net)	-	0.10	-	(0.02)
(xvi)	Subscription & Membership	-	0.12	-	0.05
(xvii)	Miscellaneous #	0.17	81.60	0.06	59.34
	Total A	0.45	114.06	0.14	88.68
B	OTHER EXPENSES				
(i)	Grant in Aid/ R & D expenditure	-	0.10	-	0.13
(ii)	Expenses on Consultancy	-	0.16	-	0.53
(iii)	Expenses on Management Development Programme	-	0.27	-	0.01
(iv)	Research and Development Plan	-	0.13	-	0.32
(v)	Waiver of Fee Income	-	3.62	-	-
	Total B	-	4.28	-	0.99
	Total (A+B)	0.45	118.34	0.14	89.67

Includes ₹ 0.16 crore (previous year ₹ 0.05) on account of sitting fee paid to directors.

NOTE 33 : CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

(₹ in crore)

Particulars	1 st April, 2022	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2023
Debt securities	54,450.18	(6,266.19)	0.00	0.00	8.10	48,192.09
Borrowings other than debt Securities	7,048.96	7,659.97	(0.36)	3.63	(0.92)	14,711.28
Deposits	3.90	(2.19)	0.00	0.00	0.00	1.71
Total Liabilities from financing activities	61,503.04	1,391.59	(0.36)	3.63	7.18	62,905.08
Particulars	1 st April, 2021	Cash flows	Changes in fair values	Exchange difference	Other	31 st March, 2022
Debt securities	58,057.55	(3,617.62)	-	-	10.25	54,450.18
Borrowings other than debt Securities	2,897.64	4,153.03	(0.01)	(0.37)	(1.33)	7,048.96
Deposits	22.77	(18.88)	-	-	0.01	3.90
Total Liabilities from financing activities	60,977.96	516.53	(0.01)	(0.37)	8.93	61,503.04

NOTE 34 : CAPITAL
Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objectives of the Company's capital management are safety and security of share capital and maximize the shareholder wealth.

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the regulator Viz., RBI/NHB. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI/NHB.

Company has complied in full with all its externally imposed capital requirements over the reported period.

1. Capital to Risk-weighted Assets Ratio

The Company is complying with the Capital Adequacy requirements as prescribed by the National Housing Bank. Being an NBFC-Housing Finance Company (NBFC-HFC), HUDCO is required to maintain a Capital Adequacy Ratio or Capital to Risk Weighted Assets Ratio (CRAR) of 15% (with a minimum Tier I Capital of 10%), computed by dividing company's Tier-I and Tier-II capital by Risk Weighted Assets.

(₹ in crore)

Particulars	Numerator		Denominator		Ratio (%)		% Variance
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	
Capital to risk weighted assets ratio	14772.87	13922.11	20021.39	18739.83	73.79%	74.29%	(0.50%)
Tier I CRAR	14741.92	13890.64	20021.39	18739.83	73.64%	74.12%	(0.48%)
Tier II CRAR	30.95	31.47	20021.39	18739.83	0.15%	0.17%	(0.02%)

Details of Tier II capital and perpetual debt instruments raised during the year are as under:

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Amount of Subordinated Debt raised as Tier-II capital	NIL	NIL
Amount raised by issue of Perpetual Debt Instruments	NIL	NIL

NOTE 35 : REVENUE FROM THE CONTRACTORS WITH CUSTOMERS (IND AS – 115)

(₹ in Crore)

Particulars	2022-23	2021-22
Fees and Commission Income	2.66	2.57
Sale of Services-Consultancy, Trusteeship and Consortium	1.66	2.03
Total revenue from contracts with customers	4.32	4.60
Timing of revenue recognition		
Services transferred at a point in time	2.66	2.57
Services transferred over time	1.66	2.03

The company does not have any contract balances as at March 31, 2023 and March 31, 2022.

NOTE 36 : FAIR VALUE MEASUREMENT

36.1. Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

36.2. Valuation governance

The Company's fair value methodology and the governance over its models include a number of controls and other procedures to ensure enough safeguards and maintain its quality and adequacy. All new product initiatives (including their valuation methodologies) are as per the approved policy of the Company. The ongoing measurement on fair value estimates is reviewed by the appropriate functional department of the Risk management and related finance functions.

36.3. Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by the level of the fair value hierarchy:

(₹ in Crore)

Particulars	31 st March, 2023				31 st March, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Derivative financial instruments	-	-	-	-	-	-	-	-
- Interest Rate Swaps	-	-	-	-	-	-	-	-
- Currency Swaps	-	-	-	-	-	0.32	-	0.32
- Forward Contract	-	0.02	-	0.02	-	-	-	-
Total Derivative financial instruments	-	0.02	-	0.02	-	0.32	-	0.32
Financial Assets at fair value through profit or loss								
- Mutual Fund	-	75.70	-	75.70	-	73.64	-	73.64
- Equities	-	0.18	185.81	185.99	-	0.26	180.04	180.30
Total Financial Assets at FVTPL	-	75.88	185.81	261.69	-	73.90	180.04	253.94
Total Assets measured at fair value	-	75.90	185.81	261.71	-	74.22	180.04	254.26
Liabilities measured at fair value								
Derivative Financial Instruments								

Particulars	31 st March, 2023				31 st March, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
- Currency Swaps	-	-	-	-	-	-	-	-
- Interest Rate Swaps	-	-	-	-	-	-	-	-
Total Derivative financial instruments	-	-	-	-	-	-	-	-
Total Financial liabilities measured at fair value	-	-	-	-	-	-	-	-

Assets for which fair value are disclosed

Particulars	31 st March,2023				31 st March,2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Investment Property (Refer Note 14A)	-	917.90	-	917.90	-	770.70	-	770.70

36.4. Valuation techniques
Mutual fund

Mutual funds are valued at the net asset value (NAV) declared by the mutual fund in respect of each particular scheme and is classified as Level 2.

Equity instruments

Equity instruments which are not actively traded on public stock exchanges but the active prices on a regular basis are available. Such instruments are classified as Level 2. Other equity instruments are fair valued based on the average of the discounted cash flow method and Net assets value (as provided by independent valuer). It is classified as Level 3.

Interest rate swaps, Currency swaps and Forward rate contracts

The most frequently applied valuation techniques include forward pricing and swap models and forward contract using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves incorporating funding costs relevant for the position. These contracts are classified under Level 2.

Investment Property

The Company obtains independent valuations for its investment properties annually. The fair values of investment property are determined by an independent registered valuer and the valuation technique adopted are Income approach, Market Approach and Composite Approach. All resulting fair value estimates for investment property are included in Level 2 (refer 14A).

36.5. Valuation adjustments and other inputs and considerations
Credit Valuation Adjustments (CVA)

The Company calculates CVA on a counterparty basis over the entire life of the exposure.

The Company applies CVA to all relevant (not fully collateralised) over-the-counter positions with the exception of positions settled through central clearing houses. Based on regular assessment of the extent of the adjustments, the Company concluded that these adjustments were not significant to the levelling classification of the relevant instruments in 2022-23 and 2021-22.

36.6. Impact of valuation adjustments and other inputs

The following table shows the amount recorded in the statement of profit and loss:

(₹ in Crore)

Particulars	2022-23	2021-22
Type of adjustment		
Credit value adjustment	0.00	0.002
Total	0.00	0.002

36.7. Transfer between level 1 and level 2

There have been no transfers between Level 1 and Level 2 for the year ended 31st March, 2022 and 31st March,2023.

36.8. Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value. The Company requires significant unobservable inputs to calculate their fair value.

(₹ in Crore)

Particulars	At 1 st April, 2022	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2023	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL) - Equities	180.04	-	-	-	-	185.81	5.77
Total financial assets designated at FVTPL	180.04	-	-	-	-	185.81	5.77
Total financial assets measured at fair value	180.04	-	-	-	-	185.81	5.77

(₹ in Crore)

Particulars	At 1 st April, 2021	Purchase	Sales	Issuance	Net interest income, net trading income and other income	At 31 st March, 2022	Unrealised gains and losses related to balances held at the end of the period
Financial assets designated at fair value through profit or loss (FVTPL) - Equities	172.35	-	-	-	-	180.04	7.69
Total financial assets designated at FVTPL	172.35	-	-	-	-	180.04	7.69
Total financial assets measured at fair value	172.35	-	-	-	-	180.04	7.69

36.9. Key assumptions and range of inputs

(a) **Net Asset Value (NAV) Method:**

The Net Asset Value Method represents the value with reference to historical cost of assets owned by the company and the attached liabilities on the valuation date.

(b) **Discounted Projected Cash Flow:**

Discounted Projected Cash Flow valuation technique is used to calculate Impact on fair value of level 3 financial instruments measured at fair value using the following unobservable input such as Discount Rate, Recovery rates, Interest Rate and Revenue from operations to ascertain the change.

(c) To arrive at fair value of unquoted investments average of Net Asset Value (NAV) and Discounted Projected Cash flow as on 31st March, 2023 is taken.

The range of values indicates the highest and lowest level input used in the valuation technique and, as such, only reflects the characteristics of the instruments as opposed to the level of uncertainty to their valuation.

All changes in the fair market value would be reflected in the Statement of profit and loss based on the classification FVTPL.

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Company's Level 3 assets and liabilities

March, 2023

Valuation technique	Significant unob-servable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% - 10%	5% increase (decrease) in growth rate would result in an increase (decrease) in fair value by: ₹ 22.36 Crore.
	WACC	14% - 16%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: ₹ 7.85 Crore.
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.33 Crore.
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.33 Crore.
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by : ₹ 5.69 Crore.

March, 2022

Valuation technique	Significant unobservable inputs	Range of inputs	Impact on Fair value due to change in assumptions
DCF	Long term Growth Rate for cash flows for subsequent years	0% - 10%	5% increase (decrease) in growth rate would result in an increase (decrease) in fair value by: ₹ 19.23 Crore.
	WACC	14% - 16%	1% increase (decrease) in WACC would result in an increase (decrease) in fair value by: ₹ 7.13 Crore.
	Discount for lack of Marketability	15% - 25%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.96 Crore.
	Discount for lack of Control	12% - 20%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by: ₹ 5.96 Crore.
	Contingency	5% - 15%	2% increase (decrease) in discount would result in an increase (decrease) in fair value by : ₹ 5.96 Crore.

36.10. Quantitative analysis of significant unobservable inputs

Interest rate volatility

Interest Rate volatility measures the expected future variability of a market price. It is generally quoted as a percentage; a higher number represents a more volatile instrument, for which larger swings in price (or interest rate) are expected. Volatility is a key input used to estimate the future prices for the underlying instrument (equity share). Interest rate volatility varies from time to time and therefore, it is not viable to make reliable and meaningful general statements about volatility levels.

Discount Rates

Discount rates are used for calculating the present value of future cash flows. In discounted cash flow models, discount rates are used as the direct reflection of the expected rate of return of the investments made by the company in the due course of the business. Hence, these rates reflect the net present value of an asset. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quality of the asset. They can be implied from market prices and are usually unobservable for illiquid or complex instruments

Recovery Rates

Recovery rates reflect the estimated loss that the company will suffer given expected defaults (Non-performing Assets). The recovery rate is given as a percentage and reflects the opposite of loss severity (i.e., 100% recovery reflects 0% loss severity). In line with the operation of the Company, probability of non-performing assets to loss assets plays an important role to ascertain the recovery rates. Higher loss severity levels / lower recovery rates indicate lower expected cash flows upon the default of the instruments. Recovery rates for complex, less liquid instruments are usually unobservable and are estimated based on historical data.

Revenue from operations

Revenue is the value of all sales of goods and services recognized by a company in a period. Revenue (also referred to as Sales, Turnover, or Income) forms the beginning of a company's Income Statement and often considered the "Top Line" of a business. Growth in revenue from operation directly impacts the profitability of the company, as operation expenses are deducted from a company's revenue to arrive at its profit.

36.11. Sensitivity of fair value measurements to changes in unobservable market data

Sensitivity of fair value measurements to changes in unobservable market data cannot be ascertained due to potential off-sets from economic or accounting hedge relationships in place.

36.12. Fair value of financial instruments not measured at fair value

Set out a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities

(₹ in Crore)

Particulars	31 st March, 2023		31 st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets:				
Cash and cash equivalent	47.83	47.83	559.99	559.99
Bank balances other than cash and cash equivalent	21.02	21.02	83.94	83.94
Trade Receivables	1.38	1.38	7.16	7.16
Other Receivable	0.53	0.53	1.92	1.92
Loans and advances to customers	79,236.97	79,236.97	76,989.92	76,989.92
Financial investments – at amortised cost	367.68	367.68	2.77	2.77
Other financials assets	587.20	587.20	534.96	534.96
Total financial assets	80,262.61	80,262.61	78,180.66	78,180.66
Financial liabilities				
Trade payables	0.05	0.05	0.09	0.09
Other Payable	7.89	7.89	9.55	9.55

Particulars	31 st March, 2023		31 st March, 2022	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Debt securities	48,192.09	50,161.95	54,450.18	60,018.79
Borrowing other than debt securities	14,711.28	14,711.28	7,048.96	7,048.96
Deposits	1.71	1.71	3.90	3.90
Other financial liability	1,203.75	1,203.75	1,643.91	1,643.91
Total financial liabilities	64,116.77	66,086.63	63,147.59	68,716.20

36.12.1. Valuation Methodology of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained in Note 36.4.

Short-term financial assets and liabilities

For financial assets and financial liabilities, that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, Trade receivables, bank balances other than cash and cash equivalents and trade payables without a specific maturity.

Loans and advances to customers

The carrying amount of fixed interest rate bearing loans and floating interest rate bearing loans are taken as fair values.

Financial asset at amortised cost

The fair values of financial assets at amortised cost are the carrying amount of the financial asset.

Debt Securities

Fair value of traded bonds is market price of the bonds as on the balance sheet date or close to balance sheet date. In case of Commercial Paper which is Current Liability i.e., short term maturity (less than or equal to twelve months), the face value of outstanding commercial paper is considered as fair value.

Borrowing other than debt securities

The carrying amount of fixed interest rate bearing borrowings and floating interest rate bearing borrowings are taken as fair values, since these are reasonable approximation of their fair value.

37. Risk Management

37.1. Introduction and risk management structure

The Company, being a Housing Finance Company, is exposed to various types of risks like credit risk, operational risk, liquidity risk, market risk and foreign currency risk. Company is fully committed to manage these risks in an effective and proactive manner, for which HUDCO has in place a Risk Management Policy and Operating Manual in line with its objectives covering both the internal and external environment. With a view to minimize the impact of various risks to which Company is exposed to, Company has in place a Board level Committee namely 'Risk Management Committee of the Board'(RMCB) which reviews various suggestions/ recommendations/reports and action taken by three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

HUDCO has effective Assets and Liabilities Management system. ALCO reviews the risks relating to Assets and Liabilities and ensures management of mismatches through liquidity gap analysis, interest rate sensitivity analysis as per NHB guidelines. It is ensured that the ALM risks, if any, are managed within the permissible limits.

The Credit Risk Management Committee (CRMC) oversees and ensures that the institution's credit policies are complied with and the procedures are being consistently applied.

The Operational Risk Management Committee (ORMC) oversees and ensures the implementation of operational risk framework to explicitly manage each and every source of operational risk including Technology risk, Employee risk, Customer risk, Capital Asset risk and External risk.

37.2. Credit risk

For management of credit risks in an effective manner, Company has established a strong appraisal mechanism containing comprehensive appraisal techniques/ guidelines in order to ensure timely repayments of principal & interest amount

37.2.1. Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the Company is also exposed to a settlement risk, being the risk that the company honours its obligation, but the counterparty fails to deliver the counter value.

37.2.2. Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 79,236.97 crore and ₹ 76,989.92 crore as of 31st March, 2023 and 31st March, 2022 respectively, being the total of the carrying amount of balances with loans.

37.2.3. Analysis of risk concentration

HUDCO takes into consideration NHB/RBI norms for risk categorisation and the norms adopted for extending loan under HUDCO Niwas. Higher LTV is permissible for lower loan amounts while LTV reduces with the higher loan amounts. (Refer Note:10A)

31st March, 2023

LTV wise bifurcation - For Retail portfolio:

(₹ in Crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	3.57	0.05	0.76	4.38
41%-60%	6.48	0.00	2.80	9.28
61%-80%	52.96	0.03	9.14	62.13
More than 80%- Individual and bulk loan	5.22	0.03	5.07	10.32
More than 80%- bulk loan	153.61	0.00	0.00	153.61
Total	221.84	0.11	17.77	239.72

Loan Portfolio :

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	39,625.22	3,298.77	481.66	43,405.65
Government - Urban Infrastructure	32,803.31	1,755.38	148.90	34,707.59
Non-Government	279.51	0.00	2,110.84	2390.35
Retail	221.84	0.11	17.77	239.72
Total	72,929.88	5,054.26	2,579.17	80,743.31

Loan Commitments:

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	2,056.27	0.00	0.00	2,056.27
Government - Urban Infrastructure	7,257.86	0.00	0.00	7,257.86
Non-Government	0.00	0.00	0.00	0.00
Retail	2.29	0.00	0.00	2.29
Total	9,316.42	0.00	0.00	9,316.42

31st March, 2022
LTV wise bifurcation- For Retail portfolio:
(₹ in Crore)

LTV bucket	Stage 1	Stage 2	Stage 3	Total
0%-40%	4.57	0.11	0.72	5.40
41%-60%	8.36	0.01	3.05	11.42
61%-80%	53.96	1.10	8.76	63.82
More than 80%- Individual and bulk loan	6.66	0.29	5.14	12.09
More than 80%- bulk loan	163.92	0.00	0.00	163.92
Total	237.47	1.51	17.67	256.65

Loan Portfolio :

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	42,695.33	1,260.78	448.33	44,404.44
Government - Urban Infrastructure	30,291.74	925.32	148.90	31,365.96
Non-Government	291.65	0.00	2,194.28	2,485.93
Retail	237.47	1.50	17.68	256.65
Total	73,516.19	2,187.60	2,809.19	78,512.98

Loan Commitments:

Customer profile	Stage 1	Stage 2	Stage 3	Total
Government- Housing	1,402.34	0.00	0.00	1,402.34
Government - Urban Infrastructure	4,394.49	0.00	0.00	4,394.49
Non-Government	0.00	0.00	0.00	0.00
Retail	2.69	0.00	0.00	2.69
Total	5,799.52	0.00	0.00	5,799.52

37.3. Liquidity risk

To manage the liquidity risk, Company has in place an effective Asset Liability Management System. The liquidity risk is being monitored with the help of liquidity gap analysis. Further, the funds are mobilized at competitive rates through various strategies viz. bonds, public deposits, term loans etc.

The Company maintains a pool of liquid assets which represents the primary source of liquidity in stress scenarios. Its composition is subject to limits designed to reduce concentration risks which are monitored on an on-going basis.

Analysis of financial assets and liabilities by remaining contractual maturities
(₹ in Crore)

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y & Above	Total
As at 31st March, 2023						
Financial assets						
Cash and cash equivalent and other bank balances	54.84	14.01	0.00	0.00	0.00	68.85
Net settled derivative assets	1.53	0.00	0.00	0.00	0.00	1.53
Financial assets at fair value through profit and loss	0.00	75.70	0.00	0.00	187.99	263.69
Loans	3731.90	2778.94	12564.98	12279.95	47881.21	79236.97
Financial investments at amortised cost	367.68	0.00	0.00	0.00	0.00	367.68

Particulars	On demand to 6 months	6M TO 1Yr	1Y TO 3Yr	3Y TO 5Yr	5Y & Above	Total
Other financial assets	19.64	8.38	559.11	0.00	0.07	587.20
Trade receivables	0.96	0.96	0.00	0.00	0.00	1.91
Total undiscounted financial assets	4176.54	2877.98	13124.09	12279.95	48069.27	80527.83
Financial liabilities						
Net settled derivative liabilities	1.53	0.00	0.00	0.00	0.00	1.53
Deposits	0.52	1.12	0.07	0.00	0.00	1.71
Debt securities	4970.00	2581.67	6487.69	6026.92	28125.81	48192.09
Borrowings (other than debt securities)	2829.71	498.97	11198.46	161.18	22.96	14711.28
Trade payable	4.07	3.87	0.00	0.00	0.00	7.94
Other financial liabilities	521.13	526.24	156.37	0.00	0.00	1203.75
Total undiscounted financial liabilities	8326.97	3611.87	17842.59	6188.10	28148.77	64118.30
Net undiscounted financial assets/(liabilities)	(4150.43)	(733.89)	(4718.50)	6091.85	19920.50	16409.53
As at 31st March, 2022						
Financial assets						
Cash and cash equivalent and other bank balances	582.55	45.13	16.25	0.00	0.00	643.93
Net settled derivative assets	3.79	0.00	0.00	0.00	0.00	3.79
Financial assets at fair value through profit and loss	0.00	0.00	73.64	0.00	182.29	255.93
Loans	2742.12	3761.00	11456.76	10728.81	48301.23	76989.93
Financial investments at amortised cost	2.77	0.00	0.00	0.00	0.00	2.77
Other financial assets	0.00	8.52	0.00	526.44	0.00	534.96
Trade receivables	3.58	3.58	0.00	0.00	0.00	7.16
Total undiscounted financial assets	3334.81	3818.23	11546.66	11255.25	48483.52	78438.46
Financial liabilities						
Net settled derivative liabilities	3.43	0.00	0.00	0.00	0.00	3.43
Deposits	1.01	1.29	1.60	0.00	0.00	3.90
Debt securities	6658.47	3577.72	8551.67	6630.97	29031.35	54450.18
Borrowings (other than debt securities)	2726.75	1752.33	2114.90	397.01	57.97	7048.96
Trade payable	0.05	0.04	0.00	0.00	0.00	0.09
Other financial liabilities	743.75	743.75	156.41	0.00	0.00	1643.91
Total undiscounted financial liabilities	10133.46	6075.13	10824.58	7027.98	29089.32	63150.47
Net undiscounted financial assets/(liabilities)	(6798.65)	(2256.90)	722.07	4227.27	19394.20	15287.99

37.4. Market risk

In order to mitigate the risks arising from fluctuations in interest rates and foreign currency exchange rates, Company periodically reviews and determines its lending rates based on its cost of funds and the market scenario. Further, the interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

37.4.1. Total market risk exposure

(₹ in Crore)

Particulars	31st March, 2023	31st March, 2022	Primary Risk Sensitivity
	Carrying amount		
Assets			
Cash and cash equivalent and other bank balances	68.85	643.93	
Derivative Financial Instruments	0.02	0.32	Interest rate/ FX
Financial assets at FVTPL	261.69	253.94	Equity Price
Loans	79,236.97	76,989.92	Interest Rate
Trade Receivables	1.38	7.16	
Investment in Associates and Joint Ventures	2.00	2.00	
Other Financial Assets	587.20	534.96	
Financial Investments- Amortised cost	367.68	2.77	
Total	80,525.79	78,435.00	
Liabilities			
Borrowings (other than debt securities)	14,711.28	7,048.96	Interest rate/ FX
Derivative Financial Instruments	0.00	0.00	Interest rate/ FX
Deposits	1.71	3.90	
Debt Securities	48,192.09	54,450.18	Interest Rate
Trade Payables	0.05	0.09	
Other Financial Liabilities	1,203.75	1,643.91	
Total	64,108.88	63,147.04	

37.4.2. Interest rate risk

The interest rate risk is being monitored with the help of interest rate sensitivity analysis under the Asset Liability Management System.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

The sensitivity of the statement of profit and loss is the effect of the assumed changes in interest rates on the profit or loss for a year, based on the floating rate non-trading financial assets and financial liabilities held at 31st March, 2023 and 31st March, 2022.

Particulars	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity	Increase/ (Decrease) in basis points	Sensitivity of Profit & Loss	Sensitivity of Equity
	2022-23	2022-23	2022-23	2021-22	2021-22	2021-22
Derivative Financial Instruments	100/ (100)	0.00/ (0.00)	-	100/ (100)	0.00/ (0.00)	-
Loans & Advances	100/ (100)	92.45/ (92.45)	-	100/ (100)	121.12/ (121.12)	-
Borrowings	100/ (100)	6.35/ (6.35)	-	100/ (100)	1.28/ (1.28)	-
Debt Securities	100/ (100)	0.00/ (0.00)	-	100/ (100)	0.04/ (0.04)	-

37.4.3. Currency risk

In order to mitigate the risks associated with Foreign Currency Fluctuations, Company has a Foreign Currency Risk Management policy.

The table below indicates the currencies to which the Company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the INR (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the INR would have resulted in an equivalent but opposite impact.

Currency	Change in currency rate in % 2022-23	Effect on profit before tax 2022-23 ₹ in crore	Effect on equity 2022-23 ₹ in crore	Change in currency rate in % 2021-22	Effect on profit before tax 2021-22 ₹ in crore	Effect on equity 2021-22 ₹ in crore
USD	1	0.61/(0.61)	-	1	0.97/(0.97)	-
JPY	1	0.02/(0.02)	-	1	0.27/(0.27)	-

37.4.4. Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. At 10 per cent increase in the value of the Company's equities at 31st March, 2023 would have increased equity by ₹18.58 crore. An equivalent decrease would have resulted in an equivalent but opposite impact and would cause a potential impairment, which would reduce profit before tax by approximately ₹18.58 crore.

37.4.5. Operational Risk

In order to mitigate the operational risk(s) associated with the operations of the organization both internal as well as external including technology risk, employee risk, capital asset risk, external risk, compliance risks viz. external fraud, legal risk, etc, Company has established a strong reporting and monitoring mechanism.

Operational Risk Management framework covers managing each and every source of Operational Risk as a distinct risk to the institution's safety and soundness. The requisite information on the Operational risk is obtained through quarterly reports of 'Operational Risk Factors and Key Risk Indicators (KRIs)' from Regional Offices/ departments which are further reviewed and analysed for mitigation of operational risk

38. Tax Expenses

(₹ in Crore)

Particulars	Period ended 31 st March, 2023	Period ended 31 st March, 2022
Current income tax:		
Current income tax charge	435.00	419.00
Adjustments in respect of current income tax of previous year	(1.40)	(0.24)
Deferred tax:		
Relating to origination and reversal of temporary differences	154.19	210.58
Income tax expense reported in the statement of profit or loss	587.79	629.34

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March, 2023 and March 2022:
Income Tax

(₹ in Crore)

Particulars	Period ended 31 st March, 2023	Period ended 31 st March, 2022
Accounting profit before income tax	2289.41	2345.94
Tax at Statutory Income Tax rate of 25.168 %	576.20	590.43
Adjustment in respect of Current Income Tax of Prior Years	(1.40)	(0.24)
Income not subject to Tax (Less)		
Dividend Income	-	-
Rental Income (30%: Standard Deduction)	4.09	3.70
Deductions		
Difference in Depreciation	0.42	(0.54)
Profit on sale of Fixed Assets	0.02	-
Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	110.40	106.18
Provision for Bad & Doubtful Debt u/s 36(1) (viiia) of the Income Tax Act, 1961	22.37	21.53
PM CARES Fund	-	-
Reversal of Excess Provision for short Income tax	0.05	0.02
Expenses disallowed in Income Tax Act 1961 (Add)		
ECL and Principal Waiver	(18.41)	(62.82)
Provision on Advances, Debtors, Staff Loans etc.	(1.80)	0.88
Provisions for Employee Benefit	(2.64)	9.81
Disallowance as per Sec. 43B	0.25	(0.45)
Others	0.55	1.48
Interest u/s 234	0.15	0.13
CSR	11.32	11.82
Ind AS Adjustment to P& L A/C	6.73	(0.31)
Sub Total	433.60	418.76
Deferred Tax Liability	154.19	210.58
Total Tax expenses	587.79	629.34
Effective Income tax Rate (in %)	25.67	26.83

Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(₹ in Crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2023	31 st March, 2023	2022-23	2022-23
Derivative Financial Instruments	0.01		0.07	
Investments	25.94		(0.38)	
Property, Plant and Equipment	4.60		(0.25)	
Debt Securities	8.55		2.29	
Deposits				

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2023	31 st March, 2023	2022-23	2022-23
Other Financial Liabilities	0.35		0.01	
Other Non- Financial Liabilities		0.29	(0.02)	
Other Equity	1,659.62		(139.99)	
Loans		621.48	(20.17)	
Receivable		3.14	(1.68)	
Other Financial Assets		0.01	-	
Other Non-Financial Assets	2.72		0.39	
Borrowings	0.22	-	(0.32)	
Provisions		70.97	(2.46)	
OCI			8.32	(8.32)
Total	1,702.01	695.89	(154.19)	(8.32)

(₹ in Crore)

Particulars	Deferred Tax Liability	Deferred Tax Asset	Income statement	OCI
	31 st March, 2022	31 st March, 2022	2021-22	2021-22
Derivative Financial Instruments	0.08	-	0.09	-
Investments	25.56	-	(1.28)	-
Property, Plant and Equipment and Government property	4.35	-	(0.59)	-
Debt Securities	10.84	-	1.98	-
Deposits		-		-
Other Financial Liabilities	0.36	-	(0.24)	-
Other Non- Financial Liabilities		0.31	0.23	-
Other Equity	1519.63		(156.04)	-
Loans		641.65	(64.10)	-
Receivable		4.82	0.22	-
Other Financial Assets		0.01	0.00	-
Other Non-Financial Assets	3.11		0.09	-
Borrowings		0.10	(0.43)	-
Provisions		73.43	10.15	-
OCI			(0.65)	0.65
Total	1563.93	720.32	(210.58)	0.65

39. Ind AS-116 Leases-

a. Company as a Lessee

Company has lease contracts for the office building which are cancellable by the both the lessor and lessee. Company has some contracts which are cancellable by the either lessor and lessee and at present there is no estimation by the company to continue or discontinue the same, further amount of that leases is not material for the company and therefore company is not creating ROU on that asset based on the materiality as per the guidance given under the Indian accounting standard. Further company used hindsight in determining the lease term where the contract contained options to extend or terminate the lease and therefore its leases are covered under the short-term leases as per the guidance under the Ind AS-116.

Amounts recognised in Statement of Profit and Loss relating to short term leases is ₹1.56 crore during the year 2022-23 and in the previous year 2021-22 is ₹1.55 crore.

b. Company as a Lessor

The Company has given its Assets on the leases; details of the same are given under the Note No-14A Investment Property.

Lease Rental recognized as income during the year 2022-23 is ₹ 54.18 Crore and in the Previous year 2021-22 is ₹49.04 crore.

NOTE 40: EXPLANATORY NOTES TO ACCOUNTS

- 1) a) The consolidated financial results for the Financial Year ended 31st March, 2023 have been drawn up on the basis of Ind-AS that are applicable to the Company based on MCA Notification G. S. R. 111 (E) and G. S. R. 365 (E) dated 16th February, 2015 and 30th March, 2016 respectively as amended from time to time. Any guidance/ clarifications issued by NHB/RBI or other regulators are adopted/ implemented as and when they are issued/ applicable. The results have been prepared based on the Schedule III for Non-Banking Financial Companies as per Notification G.S.R. 1022 (E) issued by the Ministry of Corporate Affairs on 11th October, 2018 and as amended vide notification GSR (E) dated 24th March, 2021.
- b) Additional information for Consolidated Financial Statements Schedules-III of the Companies Act, 2013:
- i) **Associate Company which has been consolidated in the consolidated financial statements**

(₹ in crore)

Name of the Entity	Net Assets i.e., Total Assets minus Total liabilities		Share in Profit or Loss		Share in OCI		Share in Total comprehensive income	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Profit/ Loss (%)	Amount	As a % of Consolidated OCI (%)	Amount	As % of total comprehensive income	Amount
HUDCO	99.99%	15,443.24	100.008 %	2,289.41	100%	24.74	100.01%	1,726.36
Investment as per Equity method in Associate i.e. Shristi Urban Infrastructure Development Ltd. (SUIDL)	0.01%	0.31	(0.008%)	(0.19)	0%	0.00	(0.01) %	(0.19)
Total	100 %	15,443.55	100 %	2,289.22	100%	24.74	100%	1,726.17

- ii) The following have not been consolidated in the consolidated financial; statements of reasons given as under: -

- a) Pragati Social Infrastructure & Development Ltd. (PSIDL)-HUDCO Board has approved the exit from the Associate Company - Pragati Social Infrastructure & Development Ltd. (PSIDL) with Pragati 47 Development Ltd. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filed petition to National Company Law Tribunal (NCLT).
- b) Ind Bank Housing Ltd.-HUDCO has provided for full diminution in value of investment.
- c) Signa Infrastructure India Ltd –HUDCO Board has approved the exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e., SIIL and indicated the value of the shares (₹10 each) at ₹ 76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The same is under consideration of the Associate partner. HUDCO is regularly pursuing with them to sort out the issue. HUDCO has decided to exit from this entity and provide for full diminution in the value of investment.

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

(a) **Contingent Liabilities:**

(₹ in crore)

	Particulars	2022-23	2021-22
i.	Demand (including penalty) on account of payment of guarantee fee on SLR debentures guaranteed by Government of India	31.61	31.61
ii.	Disputed Income tax demands against which Company has gone in appeal. The Company has paid a cumulative amount up to 31 st March, 2023 of ₹301.70 crore (previous year ₹279.80 crore) under protest. (This does not include un-quantified demands pertaining to interest/ penalties which may be levied after the finalization of appeals)	320.69	297.73
iii.	TDS demands as per TRACES Portal	0.05	0.12

	Particulars	2022-23	2021-22
iv.	Disputed service tax demands against which Company has gone in appeal. The Company has paid a cumulative amount upto 31 st March, 2023 of ₹0.92 crore (previous year ₹0.14 crore) under protest. (This does not include un-quantified demands pertaining to interest/penalties which may be levied after the finalisation of appeals).	6.87	7.07
v.	Levy of Fine by Stock Exchanges (NSE & BSE) due to Non-Compliance with Corporate Governance requirements: NSE: ₹87,99,260/-, BSE: ₹49,12,340/- for the period 30 th September, 2019 to 31 st December 2022	1.34	1.37

In case of Associate Company

(₹ in crores)

S. No.	Particulars	As at 31 st March, 2023	As at 31 st March, 2022
I	Contingent Liabilities	0.28	0.28

Claim against the Company not acknowledged as debt

- In case of M/s Crux Consultants Pvt. Ltd. vs. M/s Shristi Urban Infrastructure Development Ltd. and Anr. ADJ-01 (South East), Saket Courts, New Delhi has awarded the decree to recover the contractual amount i.e. ₹ 0.28 crore along-with pendent lite interest @ 12% per annum and future interest @ 6%. The Hon'ble Delhi High Court passed order on 18th January, 2019 which says "Subject to appellant depositing the 2/3rd of the decretal amount payable as on the date of the impugned judgement and decree in this court within a period of six weeks 18th January, 2019, there shall be stay of operation of the impugned judgement and decree.
- Shrishti Udaipur Hotels & Resorts Pvt Ltd., (Now Sarga Udaipur Hotels & Resorts Pvt Ltd.,) had stopped paying rentals to sub-lessor due to litigation between sub-lessor and Forest Deptt, HUDCO has treated the non-payment of rental to sub-lessor as event of default and recalled the loan. The company has challenged such recall by a writ petition filed before Hon'ble High Court of Rajasthan at Jaipur and same is sub-judice. In view of this, fair market value of sub-leased land is not determined.

(b) Capital commitments not provided for

(₹ in crores)

	Particular	2022-23	2021-22
i.	Estimated amount of commitments remaining to be executed on capital account	167.82	167.82

In case of Associate Company

Estimated amount of Capital Commitments remaining to be executed (Net of advances) is NIL (Previous Year ₹ NIL crore).

(c) Finance Lease Commitments:

The finance lease commitments are in respect of properties at Plot No. A2, Sector 62, NOIDA-201309 and at Paryavas Bhawan, Bhopal

(in ₹)

Particulars	31 st March, 2023		31 st March, 2022	
	Minimum lease payments	Present value of MLP	Minimum lease payments	Present value of MLP
Within one year	23,532	21,693*	23,532	2,206
After one year but not more than five years	-	-	23,532	2,033
Total minimum lease payments	23,532	21,693	47,064	4,239
Less amounts representing finance charges	-	-	-	-
Present value of minimum lease payments	23,532	21,693	47,064	4,239

*Present Value for the MLP @8.50% as on 31.03.2023 has been considered.

The above does not include any contingent liability in respect of Andrews Ganj Project (AGP), arising on account of various

court cases/arbitration/allottees' claims against cancellation of allotment etc., as in this case, HUDCO is only working as an agent being project executed on behalf of Govt. of India. As such, liability (if any) whenever ascertained/finalized shall be passed on to MoHUA, Govt. of India and met out of AGP (No Lien AGP Account), being maintained separately, in line with the directions of the then MoUD.

3) Andrews Ganj Project

- (a) (i) HUDCO had initiated execution of Andrews Ganj Project (AGP) on behalf of the then Ministry of Urban Development, (MoUD) in the year 1989-90.
- (ii) As per minutes of the meeting held on 7th September, 1995, it has been agreed to pay interest @ 17% p.a. (simple) on the expenditure incurred on AGP along with 1.5% of project cost as administrative charges.
- (iii) As per Perpetual Lease Deed dated 04th July, 1997, the Company is liable to make available "Net Resources" from the development and disposal of properties of the AGP to then MoUD and accordingly the Company was crediting interest on Net Resources generated on the project upto 03rd November, 2004. Subsequently, a separate "No Lien AGP Account" has been opened under the name of "HUDCO AGP Account", in which the surplus lying to the credit of the then MoUD was credited and interest accrued/ earned on "No Lien AGP Account" was also credited to that account.
- (iv) HUDCO contends that as per minutes of the meeting held on 07th September, 1995 and in terms of Perpetual Lease Deed dated 04th July, 1997, the status of the Company is "Agent of MoUD". The contention of HUDCO is that it is working as an agent and as such total ownership rights and responsibilities of AGP are of MoHUA-GOI (erstwhile MoUD) and there is no financial liability of HUDCO in respect of AGP. This has been upheld by learned Shri GE Vahanvati, the then Solicitor General of India, vide his opinion dated 12th April, 2005. This opinion was re-confirmed by learned Shri GE Vahanvati as Attorney General of India vide his opinion dated 19th August, 2009. The opinion was also duly endorsed by the then Law Secretary and Law Minister of Government of India.
- (v) Keeping this position in view and in accordance with HUDCO's Board decision in 459th meeting dated 24th August, 2009, HUDCO has been making payments / settling claims on Ministry's behalf and accounting them in "No Lien AGP Account" being separately maintained by HUDCO. As on 31st March, 2023, this account has a deficit in the form of debit balance of ₹558.97 crore, recoverable from MoHUA (erstwhile MoUD). This represents amount paid by HUDCO on behalf of the Ministry for the capital and revenue expenditures on AGP project over and above the recoveries and the accumulated interest amounting to ₹ 291.81 crore charged @ 10.75% p.a. (simple), on excess of expenditure over recoveries. The MoHUA (erstwhile MoUD) in a meeting held on 27th April, 2015 have also asserted that HUDCO shall continue to implement and manage the AGP in terms of Perpetual Lease Deed and all the pending issues shall be looked into for resolution by the Ministry. The MoHUA (erstwhile MoUD) in the said meeting has also decided that HUDCO as a Lessee will bear all the liabilities including the liabilities generated out of compliance of various court orders in cases related to the project. The company vide its letter dated 30th September, 2015, conveyed its reservation to accept the decision for bearing the liabilities of Andrews Ganj project as HUDCO is acting as an agent of MoHUA, Government of India, for AGP, in terms of perpetual lease deed conditions and other agreed terms.
- (vi) The Ministry has been informed specifically of the above facts and figures on various occasions through correspondence as also in the meetings. A communication was received from Dy. L&DO vide letter dated 22nd March, 2016 wherein Dy. L&DO had conveyed that HUDCO may continue to implement Andrews Ganj project and manage "No Lien AGP Account" in line with the terms and conditions as stipulated in the Perpetual Lease Deed dated 04th July, 1997. The Ministry again informed in specific vide Dy L&DO letter dated 31st May, 2018 that HUDCO as a lessee is permitted to incur/book maintenance and legal expenditure in respect to Andrews Ganj Project from "No Lien AGP Account". Like earlier years, in-line with the minutes of meeting dated 07th September, 1995, the perpetual lease deed dated 04th July, 1997, income of ₹ 28.51 crore on account of interest accrued on AGP Project has been credited to Statement of Profit and Loss for the period year ended 31st March, 2023.
- (vii) As decided by HUDCO Board in its 596th meeting held on 14th June, 2018, Ministry of Housing and Urban affairs has been requested vide letter dated 09th July, 2018 to consider taking over the Andrews Ganj project with assets and liabilities and pay the amount incurred / to be incurred by HUDCO, towards implementing the project. It has also been conveyed that "till the project is taken over by Ministry", HUDCO shall be continuing implementing the project as per existing arrangements and continue booking maintenance and legal expenses, interest @ 10.75% p.a. and administrative charges @ 1.5% in "No Lien AGP Account". The decision on the same from the Ministry is awaited.
- (viii) The company, in its aforesaid capacity as an agent of MoHUA (erstwhile MoUD), relating to AGP, is in possession of real estate properties (9 guest houses blocks and hotel site) which command much higher realizable market value sufficient to recover aforesaid amount of ₹ 558.97 crore, as on 31st March, 2023.
- (ix) MoHUA was requested vide letter dated 13th January, 2021 to make arrangements towards reimbursement of the amount recoverable endorsement for settling the same from the project proceeds as and when the same are realized, which is

also in line with the Lease agreement and well settled and agreed.

In reply to the same, Ministry vide letter dated 10th March, 2021 has requested for certain additional information including the breakup details of principal amount and interest amount as contained in the "No Lien AGP Account" to process HUDCO's request.

Ministry vide letter dated 28th June, 2021 has stated that the "HUDCO's proposal is under examination in consultation with IFD, MoHUA. Till the proposal of HUDCO vide their letter dated 13th January, 2021 is approved, the existing arrangement may be continued as conveyed vide this office letter dated 22nd March, 2016 and 31st May, 2018".

- (b) (i) The Company had allotted a hotel site including car parking space to M/s Tomorrowland Technologies Exports Ltd. i.e., TTEL (formerly known as M/s. M S Shoes East Limited). Due to default in payment of installments by TTEL, the Company cancelled the allotment of hotel site including car parking space and forfeited the amount paid by TTEL in terms of the allotment letter.
- (ii) TTEL started litigation regarding hotel site and filed suit for declaration in lower courts that cancellation of allotment letter by HUDCO, be declared as null & void. The Sr. Civil Judge passed final order dated 03rd July, 2010 against HUDCO. HUDCO filed first appeal against the Order of Sr. Civil Judge Before Additional District Judge (ADJ) Delhi. The ADJ vide Order dated 18th July, 2014 dismissed the first appeal of HUDCO and passed the judgment in favour of TTEL. HUDCO filed Regular Second Appeal (RSA) with Hon'ble High Court of Delhi which passed the final judgment on 03rd July, 2016 in favour of HUDCO. TTEL challenged the High Court Order by filing SLP NO: 34338/2016 in the Hon'ble Supreme Court. The matter is currently in pendency before Hon'ble Supreme Court.
- (iii) The allotment of 9 blocks of guest houses, restaurants, kitchens and shops, which were allotted to TTEL, was cancelled due to default in payment of installment by TTEL and amount of first installment paid by TTEL was forfeited as per terms of allotment letter. TTEL filed a civil suit for permanent injunction and possession against HUDCO & Union of India. The Hon'ble High Court vide Order dated 10th August, 2016, directed that HUDCO & Union of India should consider the proposal given by TTEL for refund of entire amount deposited by way of 1st installment by it with HUDCO along with interest at such rate which may be deemed appropriate by Court.

In view of Hon'ble High Court of Delhi order dated 10th August, 2016, the Board in its 568th meeting held on 23rd August, 2016 resolved to approve the proposal to refund first installment forfeited by HUDCO excluding earnest money & the interest for delayed payment paid thereof by TTEL for guest house blocks after adjusting the commercial losses caused to HUDCO and other expenses incurred by HUDCO since 1997-98 from the date of completion of project subject to necessary approval/NOC of MoUD, Govt. of India.

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

TTEL filed Review Petition in the month of May, 2017, before Hon'ble High Court of Delhi for review of the Decree dated 13th January, 2017, praying inter-alia for refund of EMD, grant of interest @ 16.48% p.a. on quarterly rests. Subsequently, Review Petition filed by TTEL was disposed off by the High Court on 12th December, 2017. Thereafter, TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Hon'ble Supreme Court against the Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The Company filed application for recalling the Hon'ble High Court Order dated 13th January, 2017, in view of the Review Petition filed by TTEL and directions of Govt. of India. The matter was listed on 28th August, 2018, after hearing all parties, Hon'ble High Court dismissed the "Recall Application" of HUDCO. HUDCO filed SLP in Supreme Court challenging the High Court Order dated 28th August, 2018 and 13th January, 2017. Vide Order dated 18th September, 2018, the Hon'ble Supreme Court has dismissed the SLP as withdrawn, with liberty to HUDCO to file all legal objections regarding the executability of the decree in the executing Court.

Further, TTEL also filed first Execution Petition in Delhi High Court and later on, the same was also withdrawn by TTEL on 23rd December, 2017. Thereafter, TTEL has filed Revised Execution Petition, making Govt. of India also a party and claiming rate of interest @ 11% p.a. as per the decree dated 13th January, 2017. The matter was listed on 3rd May, 2018, wherein the Hon'ble High Court first directed for attachment of HUDCO Property i.e. HUDCO Bhawan, IHC, Lodhi Road, New Delhi. However, after hearing the submission of HUDCO vide the same order, Hon'ble High Court kept the attachment order of HUDCO Property in abeyance till the next date and also directed that HUDCO will not sell the property at Andrews Ganj, Delhi. Further, the learned Justice V.N. Khare, former Chief Justice of India, has opined that, "HUDCO's consent to perform the terms of the Order dated 13th January, 2017 was conditional on UOI's support and in the event, any liability is indeed ascribed to HUDCO, the same should then be recoverable from the UOI".

In view of the Supreme Court's Order dated 18th September, 2018, HUDCO filed objection in the Execution Petition,

pending in Delhi High Court. The matter was listed on 29th October, 2018. After hearing the submission of HUDCO's Counsel, the Hon'ble Court dismissed the objections. HUDCO filed two appeals in Delhi High Court as under:

- Regular first Appeal (RFA 79/2018) against the final order/ decree dated 13th January, 2017 and order dated 28th August, 2018 (Dismissal of Recall application by High Court). Notices have been issued.
- Execution First Appeal (EFA No 19/2018) against the order dated 29th October, 2018, wherein objections of HUDCO in execution petition were dismissed. The matter was listed on 27th November, 2018. After hearing the matter, the Hon'ble Court stayed the execution proceeding pending in Delhi High Court till the next date. The matter was listed again on the application of the M/s TTEL for vacation of stay on 08th July, 2020 before Division Bench, Delhi High Court, after hearing the matter, the Hon'ble Court directed that Execution First Appeal (EFA) 19/2018 shall be adjourned sine die and will be listed after the final disposal of the Regular First appeal (RFA 79/2018). The parties are at liberty to move the application for revival of EFA after final disposal of RFA 79/2018. Till the further order, the stay on the Execution proceedings shall be continued. Both the cases are pending.

TTEL filed SLP in Supreme Court, against the High Court Order dated 27th November, 2018, wherein High Court stayed the execution proceedings. However, the same has been withdrawn by TTEL on 14th January, 2019.

TTEL has filed Special Leave Petition (SLP No 10752/53 of 2018) in Supreme Court against Decree dated 13th January, 2017 and Hon'ble High Court Order dated 12th December, 2017. The SLP filed by TTEL is currently pending in Hon'ble Supreme Court. Further, in the SLP No 10752/53 of 2018, the Union of India has filed an affidavit denying its liability on this account. The said affidavit, was placed before the Board of Directors of HUDCO and as per the decision, the company has also filed a reply/affidavit to the affidavit of Union of India denying its liabilities on account of the same bases on perpetual Lease Deed 04th July, 1997 and Record Note of discussion dated 07th September, 1995. The matter is currently pending before Hon'ble Supreme Court of India.

Hence, in view of the facts and circumstances stated above, the Company does not expect any liability on this account and any expenditure related thereof. In case of any liability by virtue of any court order or otherwise, the same shall be in the account of "No Lien AGP Account" of MoUD, based on the facts and documents and the legal opinions obtained by HUDCO.

- (c) The arbitrator has passed an award in favour of M/s. Ansal Properties and Industries Ltd. (APIL) amounting to ₹8.84 crore along with interest @ 18% p.a. on 28th July, 2005 in respect of the property leased to APIL at AGP. The Arbitrator has also allowed the counter claim of HUDCO amounting to approximately ₹0.85 crore along with interest @ 18% p.a. on account of maintenance charges w.e.f. 1st January, 2001 up-to 31st July, 2005. HUDCO has challenged the award before the Hon'ble High Court of Delhi and, as per the directions of the court, has deposited a sum of ₹7.99 crore in the court out of "No Lien AGP Account".

APIL has invoked arbitration for refund of ground rent paid by it from November, 1995 to October, 1999 and the arbitrator has pronounced the award on 21st July, 2006 holding therein that APIL is not liable to pay the ground rent up to October, 1999 i.e. till the shopping arcade was constructed and became operational in October, 1999. The amount of ₹3.93 crore deposited earlier by APIL has been directed to be adjusted towards the future ground rent payment dues w.e.f. November, 1999 along-with Interest @ 7% p.a. for delayed payment. HUDCO has filed petition challenging the award before the Hon'ble High Court of Delhi. The Hon'ble High Court on 10th May, 2012 has set aside the arbitration award dated 21st July, 2006. APIL filed an appeal against the above-mentioned order before Division Bench of Hon'ble High Court, Delhi. Division Bench vide its order dated 24th January, 2013, allowed APIL appeal and upheld the Arbitrators award. HUDCO filed SLP on 10th May, 2013 before Hon'ble Supreme Court against this order which is currently pending.

On the last day of hearing, i.e. 5th January, 2023, APIL's counsel has informed the court that vide Order dated 16th November 2022, APIL has been declared insolvent by NCLT and therefore, now the APIL is under Moratorium. Hence as per the law, all the proceedings pending against APIL are automatically stayed by virtue of law. Further, HUDCO has filed its total claims due against APIL before the Resolution Professional appointed for the above purpose.

- 4) HUDCO had allotted 6435 sq. mtr. of built-up space in 1993 at HUDCO Vishala, Bhikaji Cama Place, New Delhi to EPFO on Long Term Sub-lease basis. The sub-lease in favour of EPFO is yet to be executed and ₹0.35 crore is recoverable from EPFO.
- 5) (a) The Company has a procedure for seeking confirmation of outstanding balances at each quarter end from all the borrowers except cases under litigation. In case of receipt of balance confirmation from the agency for any Quarter of the year, the same is treated as confirmed during the year. Confirmation of balances covering approximately 99.16% received up to 11th May 2023 (Previous Year: 92.63% received upto 11th May 2022) in value of the total project loan outstanding (excluding Litigation cases) have been received from the borrowers.

In case of Associate Company

Balances of certain debtors and creditors are in the process of confirmation/ reconciliation.

- (b) The Company has impairment provision on loans (as per ECL approach) of ₹2,431.06 crore as on 31st March 2023 and ₹2,504.23 crore as on 31st March, 2022 as per Ind-AS requirement.
- (c) As per RBI notification no. RBI/2019-20/170 Circular DOR (NBFC). CC.PD.No.109/ 22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standards, Housing Finance Companies are required to create an Impairment Reserve for any shortfall in impairment allowances under Ind-AS 109 and IRACP norms (including provision on standard assets). The impairment allowance under Ind-AS 109 made by the company is lower than the total provision required under IRACP as at 31st March, 2023 and accordingly, impairment reserve of ₹67.88 crore has been created.

(₹ in Crore)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS*	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	72,929.89	29.95	72,899.94	338.52	
	Stage 2	5,054.25	48.19	5,006.06		
Sub-total (A)		77,984.14	78.14	77,906.00	338.52	(260.38)
Non- Performing Assets						
Sub-standard	Stage 3	66.40	22.31	44.09	9.96	12.35
Doubtful-						
--upto 1 year	Stage 3	52.44	16.84	35.60	13.11	3.73
--1 to 3 years	Stage 3	468.31	157.29	311.02	187.32	(30.03)
--More than 3 Years	Stage 3	2,136.07	2,119.53	16.54	2,136.07	(16.54)
Sub-total for Doubtful (B)		2,656.82	2,293.66	363.16	2,336.50	(42.84)
Loss	Stage 3	35.95	35.95	0.00	35.95	0.00
Sub-total for NPA ('C)		2,759.17	2,351.92	407.25	2,382.41	(30.49)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1		1.00			1.00
	Stage 2					
	Stage 3					
Sub-total (D)			1.00			1.00
Total (A+B+C+D)	Stage 1	72,929.89	30.95	72,898.94	338.52	
	Stage 2	5,054.25	48.19	5,006.06		
	Stage 3	2,759.17	2,351.92	407.25	2382.41	
	Total	80,743.31	2431.06	78,312.25	2720.93	(289.87)

* Does not include Interest Accrued, Ind AS Adjustment etc.

- 6) **The receipts from the agencies in the loan accounts is appropriated as per loan agreement in the following order:**
- Other dues/ expenses recoverable
 - Penal interest
 - Normal interest
 - Principal

In the event of excess payment, the same is adjusted towards principal.

However, in respect of default cases, repayments are first adjusted towards liquidation of the oldest default by following above order and after appropriation of default, the balance, if any, is adjusted as per the normal practice as above.

- 7) During the FY 2022-23, the company has implemented restructuring plan in case of M/s VS Lignite Power Private Limited in March 2023 from the date of order of NCLT, Hyderabad, dated 16th March 2021, with principal outstanding of ₹78.75 crore. As per the restructuring plan, ₹30.14 crore of the principal outstanding will be paid by M/s VS Lignite Power Private Limited to HUDCO, out of the same ₹2.66 crore as upfront and remaining ₹27.48 crore is to be repaid as Term loan repayable over 5 years. The balance principal amount of ₹48.61 crores to be written off with the reversal of the corresponding ECL allowance thereof. As per NHB norms, the same will kept as NPA under watch period for next one year. The Principal Outstanding as on 31.03.2023 is ₹20.61 crore
- 8) HUDCO had earned dividend income of ₹ 0.06 Crore (Previous Year: ₹ 0.08 Crore) during the Financial Year 2022-2023.
- 9) The Company had made Long Term Investments at a total cost of ₹ 99.86 crore which represents Investment in Equity Shares, Infrastructure Debt Fund, Debt Instruments and Investments in Associates. As per the applicable Ind AS, Investments as on 31st March, 2023 are being shown at fair value through profit or loss of ₹ 261.68 crore.
- 10) HUDCO had invested as equity of ₹ 22.85 Crores in Cochin International Airport Ltd (CIAL). CIAL came out with rights issue in March 2023. HUDCO Board in its 652nd Board meeting held on 24th March, 2023 approved for applying in rights entitlement for 31,42,207 shares and for additional 7,85,552 shares in the event of non-subscription of rights issue by other existing shareholders, with issue price of ₹ 50/- per share (Including premium of ₹ 40/- per share) for a total value of ₹ 19.64 crores. CIAL Board approved allotment of rights issue in 5th May 2023, accordingly HUDCO was allotted 36,09,547/- shares (Rights entitlement of 31,42,207 shares and additional 4,67,340 shares) amounting to ₹ 18.05 crores. HUDCO has got refund of ₹ 1.59 crores in 10th May 2023 towards the balance amount.
- 11) Loans granted by the company directly to individuals and bulk loans under HUDCO Niwas Scheme are secured fully/partly by:
 - (i) Equitable Mortgage of the property and /or
 - (ii) Undertaking to create security through execution of Tripartite Agreement between the Company, borrower, and the Developing Authority / Developer;
 - (iii) Hypothecation of Distribution Assets of the borrower Company.
 - (iv) Negative Lien on the assets of the borrower Company. Assets of the Company include the book debts and future receivable.
 - (v) Government Guarantee, first charge on the assets of the housing finance company or First Pari-Passu charge on the outstanding loans or Exclusive Charge/ First Pari-Passu charge on the present and future receivables/ Book Debts, Escrow mechanism, postdated cheques or ECS or RTGS, First Pari-Passu charge on immovable property/ Undertakings, Demand promissory note and irrevocable Power of Attorney in favour of HUDCO to recover the money from individual borrowers.

In addition to (i) and (ii) above, the assignment of Life Insurance Policies, pledge of National Saving Certificates, Fixed Deposits, etc. are also obtained.

- 12) The Company has adopted Ind AS-19 'Employee Benefits'. Defined employee benefit schemes are as follows:
 - (a) The Company has a separate trust to manage provident fund scheme and provides interest guarantee as per Employees' Provident Fund Scheme, 1952. The Company pays fixed contribution of provident fund at a predetermined rate to the trust, which invests the funds in permitted securities. The trust is required to pay a minimum notified rate of interest on contribution to the members of the trust and the provident fund scheme additionally requires the company to guarantee the payment of interest at rates notified by EPFO from time to time under the Employees' Provident Fund Scheme, 1952 and recognizes such deficiency as an expense in the year it is determined.

In view of the interest rate guarantee by the Company, the plan although being a defined contribution plan is being treated as defined benefit plan for the purpose of disclosure as per Ind AS 19, since as per Section 17 of the Employees Provident Funds (EPF) Act, 1952, the company has to guarantee the interest rate as announced by the EPFO from time to time. Accordingly, the actuarial valuer has done valuation to the extent of interest rate guarantee and details of the same have been disclosed as given below.

- o The fair value of the plan assets of the Provident Fund and the accumulated members' corpus is ₹415.90 crore and ₹411.57 crore respectively (Previous year ₹338.93 crore and ₹377.44 crore respectively). The fair value of the assets of the provident fund as at 31st March, 2023 is higher than the obligation under the defined contribution plan. Provision of (₹4.33) crore (Previous year ₹38.51 crore) is outstanding based on actuarial valuation.
- o The total employee benefit expense for the valuation period is ₹4.85 crore. The amount for Other Comprehensive Income is (₹36.45) crore.

The actuarial assumptions include discount rate of 7.27% (Previous year 6.81%) and an average expected future period of 6.38 years (Previous year 6.85 years). The Company recognized ₹11.09 crore (Previous year ₹10.62 crore) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to this plan by the Company are at rates specified in the rules of the schemes.

- (b) The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the payment of Gratuity Act, 1972. The scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company.
- (c) The summarized position of various defined benefit schemes recognized in the Statement of Profit & Loss, Balance Sheet and the funded status are as under:

(₹ in Crore)

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
	2022-23	2021-22	EL		HPL		2022-23	2021-22
			2022-23	2021-22	2022-23	2021-22		
1. Component of Employer Expenses								
a. Current Service Cost	2.30	2.47	3.54	3.38	1.10	1.05	5.06	4.82
b. Interest Cost	(0.18)	0.00	2.72	2.09	0.82	0.66	14.95	11.64
c. Past Service Cost				-		-	13.82	25.74
d. Unrecognized Past service cost				-		-		-
e. Expected return on plan assets	(0.39)	4.34	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
f. Actuarial (Gain) / Loss	(1.82)	0.36	2.73	5.31	(1.52)	0.81	4.82	(4.72)
g. Recognised in Other Comprehensive Income	1.44	(4.70)	N.A.	N.A.	N.A.	N.A.	(4.82)	4.72
h. Recognised in the Statement of Profit & Loss \$	2.13	2.47	8.99	10.78	0.40	2.52	33.83	42.20
2. Net Asset / (Liability) Recognised in Balance Sheet as at 31.03.2023								
a. Present value of Obligation as at 31.03.2023	78.80	78.11	43.99	39.25	11.54	11.96	229.01	200.71
b. Fair Value of plan assets as at 31.03.2023	79.18	79.18	N.A.	N.A.	N.A.	N.A. #	N.A.	N.A. #
c. Liability / (Assets) recognised in Balance Sheet	(0.38)	(1.07)	43.90	39.25	11.54	11.96	229.01	200.71
3. Change in present value of obligation as on 31.03.2023								
Present Value of obligation as at 31.03.2022	78.11	77.57	39.25	33.44	11.96	10.61	200.71	171.44
Current service cost	2.30	2.47	3.54	3.38	1.10	1.05	5.06	4.82
Interest Cost	5.21	4.93	2.72	2.09	0.82	0.66	14.95	11.64
Past Service Cost	-	-		-		-	13.82	25.74
Unrecognized Past service cost	-	-		-		-	-	-
Actuarial gains and losses arising from changes in demographic assumptions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
	2022-23	2021-22	EL		HPL		2022-23	2021-22
			2022-23	2021-22	2022-23	2021-22		
Actuarial gains and losses arising from changes in financial assumptions	(1.67)	(2.29)	0.00	0.00	0.00	0.00	6.37	(21.72)
Actuarial gains and losses arising from experience adjustments	(0.15)	2.66	2.73	5.31	(1.52)	0.81	(1.55)	17.00
Benefits Paid	(5.00)	(7.23)	(4.25)	(4.96)	(0.82)	(1.17)	(10.36)	(8.21)
Present Value of obligation as at 31.03.2023	78.80	78.11	43.99	39.25	11.54	11.96	229.01	200.71
4. Change in the Fair Value of Plan Assets								
Present value of plan assets as on 31.03.2022	79.17	78.75	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Expected return on Plan Assets	5.39	4.90	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Actual company Contribution	-	7.07	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Benefits Paid	(5.00)	(7.23)	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Return on Plan Assets excluding amount included in Net Interest Expense	(0.38)	(4.34)	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Actuarial gains and losses arising from changes in demographic assumptions		-	-	-	-	-		-
Actuarial gains and losses arising from changes in financial assumptions		-	-	-	-	-		-
Actuarial gains and losses arising from experience adjustments		-	-	-	-	-		-
Fair Value of Plan Assets as at 31.03.2023	79.18	79.17	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
Actual Return on plan assets	5.01	0.58	N.A#	N.A#.	N.A#	N.A#.	N.A#	N.A#.
5. The Principal assumptions used in determining defined benefits obligations for the company's plans								
Discount Rate (p.a.) (%)	7.27	6.81	7.27	6.81	7.27	6.81	7.27	7.49
Expected rate of returns on plan assets (p.a.) (%)	7.27	6.81	N.A	N.A	N.A	N.A	N.A	N.A
Salary increase rate (p.a.) (%)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Withdrawal Rates	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages	3% at younger ages reducing to 1% at older ages
Leave availment rate	N.A	N.A	1% p.a	3% p.a.	1% p.a	3% p.a.	N.A	N.A

Particulars	Gratuity		Leave Encashment				Post-Retirement Medical Benefits	
			EL		HPL			
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Leave encashment in service	N.A	N.A	0% p.a	2% p.a.	0% p.a	0% p.a.	N.A	N.A
6. Details of the Plan Assets at cost as on 31.03.2023								
Government of India Securities, Corporate Bonds etc.	N.A#	N.A#	N.A#	N.A#	N.A#	N.A#	N.A#	N.A#
Gratuity Fund Managed by Insurer	100%	100%						

Gratuity

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	77.06	80.62	76.15	80.15	79.11	78.44	78.52	77.65	78.92	78.67	78.24	77.98

HPL

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	11.21	11.89	11.61	12.35	11.89	11.20	12.38	11.61	11.47	11.62	11.87	12.05

EL

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Future salary increases				Withdrawal rate sensitivity			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	W.R. x 110%	W.R. x 90%	W.R. x 110%	W.R. x 90%
Impact on defined benefit obligation	42.90	42.84	38.19	40.48	45.16	42.86	40.55	38.23	43.92	44.10	39.15	39.40

Medical Benefits

Assumptions	31-Mar-23		31-Mar-22		31-Mar-23		31-Mar-22	
	Discount rate				Medical growth rate increase			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	215.40	243.99	186.87	216.06	239.21	219.91	208.85	193.91

Expected payment for future years	Gratuity		HPL		EL		Medical benefits	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Within the next 12 months (next annual reporting period)	12.91	7.36	1.16	0.80	3.27	2.10	8.59	7.61
Between 2 to 5 years	42.55	37.54	5.80	5.26	23.35	17.89	44.11	39.25
Between 5 and 10 years	42.33	44.19	7.35	8.12	26.18	24.11	88.87	79.18
Total expected payments	97.79	89.09	14.31	14.18	52.80	44.10	141.58	126.04

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

\$ It represents the amount to be recognized in the Statement of Profit & loss as per actuarial valuation. However, since the scheme is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company, so the premium paid is debited to the Statement of Profit & Loss.

The scheme of Gratuity is managed by a separate trust through LIC Policy and the premium paid by the Trust is funded by the Company. Further, the schemes of Leave Encashment and Post-Retirement medical benefits are unfunded.

Note:-

- The Company expects to contribute ₹ 1.62 crore (Previous year ₹ 1.24 crore) to the Gratuity Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2023 is 6.20 years (Previous year 6.85 years).
- The Company expects to contribute ₹8.30 crore (Previous year ₹ 7.34 crore) to the Medical Benefit Fund in the next financial year. The weighted average duration of the defined benefit obligation as at 31st March, 2023 is 21.21 years (Previous year 21.43 years).

In case of Associate Company

As per Indian Accounting Standard - 19 "Employee Benefits", the disclosures of Employee Benefits are as follows:

- Defined Benefit Plans/Long Term Compensated Absences:

Description of Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age etc.

*Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The liabilities are determined on accrual basis and not on the basis of actuarial principles since the same is not considered material.

- The Gratuity and Provident Fund expenses have been recognised under "Contribution to provident fund and other funds" and leave encashment under "Salaries & Wages".

13) Details of Provisions

(₹ in Crore)

S. No.	Particulars	Opening Balance	Additions during the year	Paid/ Adjusted during the year	Closing Balance
A	Provision for employees' benefit				
(i)	Leave encashment	51.21	9.39	5.07	55.53
	Previous Year	44.05	13.29	6.13	51.21
(ii)	Post-retirement medical benefit	200.71	43.47	15.17	229.01

S. No.	Particulars	Opening Balance	Additions during the year	Paid/ Adjusted during the year	Closing Balance
	Previous Year	171.43	42.21	12.93	200.71
(iii)	Welfare expenses	1.35	0.58	0.17	1.76
	Previous Year	1.94	(0.31)	0.28	1.35
(iv)	Gratuity	(1.07)	(0.75)	(1.44)	(0.38)
	Previous Year	(1.17)	2.47	2.37	(1.07)
(v)	Provident Fund	38.51	(68.05)	(25.21)	(4.33)
	Previous Year	35.21	11.32	8.02	38.51
B	Others				
	Provision for Income Tax	419.50	435.60	419.50	435.60
	Previous Year	428.00	419.50	428.00	419.50
C	Provisions on Loans (ECL-Net)				
	Provision on loans (ECL)	2504.23	0.00	73.17	2431.06
	Previous Year	2753.78	0.00	249.55	2504.23
D	Provision on Corporate Social Responsibility (CSR)				
	Provision on CSR	47.67	45.24	32.37	60.54
	Previous Year	80.19	46.95	79.47	47.67
E	Provisions on Investment/ Advances/ Debtors/ Staff Advances/Against disputed Service Tax paid				
(i)	Provisions on Investment	3.11	0.00	0.00	3.11
	Previous Year	3.11	0.00	0.00	3.11
(ii)	Provision on staff advances	0.15	0.00	0.00	0.15
	Previous Year	0.14	0.01	0.00	0.15
(iii)	Provision on Advances	6.66	0.46	0.00	7.12
	Previous Year	3.41	3.25	0.00	6.66
(iv)	Provision on Doubtful Debts	17.01	0.00	6.70	10.31
	Previous Year	16.80	0.21	0.00	17.01
(v)	Provision against disputed service tax paid	2.49	0.00	0.00	2.49
	Previous Year	2.49	0.00	0.00	2.49

14) a) The Govt. of India through its Notification dated 9th August, 2019 had made Reserve Bank of India (RBI) as the regulator for HFCs and the supervision part continued to remain with NHB.

RBI has issued notification dated 22nd October, 2020, on regulatory framework for HFCs, by which the definition of HFC has undergone a change. HFCs which are unable to fulfill the criteria shall be treated as NBFC – Investment and Credit Companies (NBFC-ICC).

Since, HUDCO does not fulfil the criteria of HFC as per the new definition, RBI was requested vide letter dated 16th December, 2020 for special dispensation to HUDCO for granting exemption and treat HUDCO as HFC.

RBI in its reply letter dated 10th February, 2021 has informed its inability to accede to HUDCO's request for exemption and accordingly suggested to submit a Board approved plan to fulfill the principal business criteria for HFC or to convert into a NBFC-ICC.

RBI was requested vide letter dated 8th March, 2021 to grant six months' time for transition to NBFC and to retain the status of HFC and to continue operations with the special dispensations/ relaxations given earlier with regard to credit concentration norms/ exposure norms permitted by NHB/ RBI.

In response to HUDCO's request, RBI vide letter dated 26th March, 2021 and 27th September, 2021 granted time till 31st December, 2021 to submit Board approved plan for conversion to NBFC. RBI has further advised that the exemptions from

concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions.

The proposal for transition of HUDCO from its present status of HFC to NBFC – IFC was approved in principle by the HUDCO Board in its meeting held on 28th December, 2021. Thereafter, HUDCO required approval from Ministry of Housing and Urban Affairs for the conversion before submission of application form to RBI. RBI was requested vide letter dated 28th December, 2021 to grant three months' time for submission of application to RBI and to retain the status of HFC and RBI vide letter dated 31st December, 2021 granted time till 31st March, 2022 for conversion from HFC to NBFC-IFC.

HUDCO had submitted application to RBI on 29th March, 2022 to convert from HFC to NBFC- IFC. In reference thereof, RBI vide letter dated December 22, 2022 expressed its inability to accede to HUDCO's request for conversion of certificate of registration (CoR) to an NBFC-IFC owing to non-fulfilment of certain condition of RBI Master Directions for NBFCs. After detailed deliberation and ensuring compliance with the RBI Master Directions for NBFCs, HUDCO has resubmitted the application with necessary documents with RBI for conversion of certificate as NBFC-IFC on February 22, 2023. In view of the above, the management reckons to receive the said approval from RBI in FY 2023-24. Till such time HUDCO continues to retain the status of HFC.

- b) RBI vide circular number DOR.CRE.REC.No.60/03.10.001/2021-22 dated October 22, 2021 has introduced Scale-Based Regulations (SBR) for NBFCs and these guidelines have been made effective from October 01, 2022. As per this framework Government owned NBFCs are still in the transition period and therefore RBI decided not to subject them to the Upper Layer regulatory framework. Guidelines as applicable for the NBFC-Middle Layer (ML) shall be applicable to the Company. Disclosures applicable to the Company have been made in the notes to Accounts under regulatory disclosures.
- 15) - RBI has issued Master Directions for NBFC-HFC vide their Notification dated 17th February, 2021. RBI's credit concentration norms state that a Housing Finance Company's lending exposure to any single borrower or investment in the shares of another company should not exceed 15% of its owned funds and lending exposure to any single group of borrowers or investment in the shares of single group of companies should not exceed 25% of its owned funds. As per the said circular, Investment of a Housing Finance Company (HFC) in the shares of another HFC shall not exceed 15% of the Equity Capital of the investee company.

The Company is complying with National Housing Bank's credit concentration norms except in one case of investment in another HFC viz., Indbank Housing Ltd. (IBHL), a subsidiary of Indian Bank in which HUDCO has invested 25% capital of investee.

HUDCO had invested ₹2.50 crore, out of total paid up capital of ₹ 10 crore, in the equity shares of IBHL in the year 1990-1991 and 1991-1992, resulting in investment to the extent of 25% of the equity. The investment was made before regulatory guidelines were issued. No further investment was done nor any disinvestment has been made.

HUDCO has been making efforts for past several years to exit/bring down its stake within the prescribed norms however since Ind-Bank Housing Finance is having accumulated losses and is non-operational for several years it has not been successful. However, recently Ind-Bank with a view to revive its operations and adequately capitalize it has decided to increase equity base and invited investment bids from strategic investors and Indian Bank would also subscribe by way of preferential allotment so as to maintain its 51% stake. The proposal has been submitted to RBI and in case it is approved, HUDCO's stake would come down below 25% which will be well within norms. Further, HUDCO has written down the investment in its books and being reflected at ₹1.

- NHB/ RBI, from time to time, has given certain relaxations from credit concentration norms considering the role envisaged for HUDCO. However, vide its letter No. NHB(ND)/ DRS/ SUP/ 3911/ 2018 dated 2nd April, 2018, NHB capped the credit concentration (Exposure) limit for Government/Public agencies as follows:
- o The individual exposure limit of HUDCO to Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/ non-housing related activities) shall be capped at 50% of its NOF.
 - o The exposure limit of HUDCO for State Government (under group exposure) shall be capped at 150% of its NOF in respect of State of Telangana and 100% of NOF for all other States. HUDCO is required to take suitable steps to bring down the group exposure in respect of State of Telangana also to 100% within a maximum period of 3 years The conditions relating to compliance by the concerned State with the FRBM limits shall continue to be ensured by HUDCO.

The Board of Directors of HUDCO in its 594th meeting held on 19th April, 2018 considered above and directed that "NHB be again requested to expeditiously review its decision communicated vide its letter dated 2nd April, 2018 and permit HUDCO to continue on the already approved pattern of credit concentration norms communicated by NHB vide its letters from time to time".

NHB vide its letter no. NHB(ND)/DRS/SUP/7085/2018 dated 13th July, 2018 has conveyed its decision to allow HUDCO to continue its disbursements as per the schedule in relation to the existing sanctions made upto 31st May, 2018. However, HUDCO shall be required to take suitable steps to bring down the exposure to Government/Public Agencies and State Governments (under group exposure) in the above cases also to 50% and 100% respectively latest by March, 2023.

The exposure limits of upto 50% for Government/Public Agencies (inclusive of the exposure limit of upto 30% for infrastructure/non-housing related activities) and upto 100% for State Governments (under group exposure) will continue to be applicable in all other cases. The condition relating to compliance by the concerned State with the FRBM limits shall continue.

HUDCO vide letter dated 6th March, 2019 requested NHB seeking relaxation in the individual/group exposure norms. Further, HUDCO also sought exemption from exposure norms for funding of PMAY (U) programme through Extra Budgetary Resources (EBR).

NHB vide its letter no. NHB(ND)/DRS/SUP/879/2019 dated 8th March, 2019 granted relaxation in credit concentration norms (under individual borrower exposure to Government /public agency) to HUDCO to extend loan upto ₹20,000 crore to BMTPC under the PMAY-U subject to the condition that demand under Credit Linked Subsidiary Scheme (CLSS) is met on priority while utilizing funds lent to BMTPC.

NHB vide its letter no. NHB(ND)/DRS/SUP/880/2019 dated 8th March, 2019 granted relaxation to HUDCO in respect of credit concentration (exposure) norms upto 140%, 175% and 120% of the NOF in respect of the State of Andhra Pradesh, Telangana and Uttar Pradesh respectively (under group exposure) and upto 55% (under individual exposure) each in case of APTIDCO and HMWSSB subject to the following conditions:

- (i) HUDCO shall continue to ensure that the extended exposures (beyond 50% and 100% respectively) are guaranteed by the State Government(s) and HUDCO will cease to extend further exposure to these states if FRBM limits are breached.
- (ii) HUDCO shall also be required to bring down its exposure to 50% in respect of individual exposure and 100% in respect of group exposure latest by 31st March, 2023, in accordance with the roadmap for graded reduction in exposure approved by Board of Directors.
- (iii) The position should be reviewed by the Board of HUDCO on a six-monthly basis to ensure strict adherence to the Board approved exposure reduction plan.
- (iv) In the event of HUDCO failing to comply with the above exposure reduction plan, HUDCO will be required to assign risk weight of 100% on the excess exposure in addition to any regulatory penalty as may be applied by the NHB.

The exposure limit of up-to 50% for Govt./Public agencies (inclusive of the exposure limit of up-to 30% for infrastructure/Non housing related activities) and up-to 100% for State Govt. (under group exposure) will continue to be applicable in all other cases.

RBI has vide its letter no 1736/3.10.136/2019-20 dated 5th March, 2020 granted relaxation of credit concentration norms for exposure to Telangana State Housing Corporation Limited (TSHCL) upto 75% of Net Owned Fund of HUDCO subject to following conditions:

- (i) The additional exposure is backed by explicit guarantee from State Government.
- (ii) The exposure to TSHCL will be brought down to 50% of NOF by 31st March, 2023 as prescribed by NHB (ND)/DRS/SUP/880/2019 letter dated 8th March, 2019. A detailed action plan to this effect may be forwarded to NHB.
- (iii) Other conditions as prescribed by NHB vide their above-mentioned letter dated 8th March, 2019 are adhered to.

RBI vide their letter dated 26th March, 2021 has permitted that the exemptions from concentration/exposure norms granted previously by NHB/RBI would continue to apply at present subject to the conditions specified while granting such exemptions. However, a review shall be undertaken at the time of conversion to NBFC.

HUDCO was given the time limit to bring down exposure upto 50% in respect of individual exposure and upto 100% for State Governments (under group exposure) by March 2023. In compliance with the same, HUDCO has brought down the exposure to 50% in respect of individual exposure and upto 100% for State Governments (under group exposure) as on March 31, 2023 in respect of all states.

- HUDCO is in the process of transition from its present status of HFC to NBFC-IFC. In view of the above, HUDCO has requested RBI to allow HUDCO to continue operations with the special dispensations/relaxations given with regard to credit concentration/exposure norms by NHB/RBI. Furthermore, HUDCO has requested RBI that it may be granted exemption from the applicability of concentration of credit/investment norms in respect of its exposure towards Central/ State Government entities consequent upon registration as NBFC-IFC in line with other Government NBFCs.

16) Details of registration number obtained from financial sector regulators:

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

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

- 17) The Company in terms of SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendments) Regulations 2021 dated 07/09/2021, is presently transferring principal and/or interest, or both (if any) which remains unclaimed for 7 years from the date of payment to Investor Education and Protection Fund (IEPF) constituted in terms of Section 125 of the Companies Act, 2013. The bondholders, whose unclaimed principal and/or interest has been transferred to IEPF, may claim the same by making an online application in the prescribed Form No. IEPF-5 available on the website (www.iepf.gov.in) and sending a physical copy of the same, duly signed by all the bondholders to the Company, along with requisite documents enumerated in Form No. IEPF-5. No claims shall lie against the Company in respect of the amounts, so transferred to the IEPF Authority. Dividend on equity shares and Principal & interest on Debentures/Bonds/PDS aggregating to ₹ 14.90 Crore (Previous Year ₹ 11.52 Crore) were due and unclaimed as on 31st March, 2023. During the year 2022-23, an amount of ₹ 1.88 Crore (previous year ₹ 0.03 Crore) has been transferred to IEPF after completion of statutory period of seven years.
- 18) The Company is in the continuous process of obtaining confirmation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. The company has outstanding due ₹0.20 Crore of MSME as on 31.03.2023 (previous year ₹0.30 Crore).

(₹ in Crore)

Particulars	March 31, 2023	March 31, 2022
The principal amount remaining unpaid to any supplier	-	-
The interest due thereon (above principal amount) remaining unpaid to any supplier	-	-
The amount of interest paid by the buyer in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day for the year ended	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSME Act, 2006.	-	-

- 19) The Company is engaged in the business of providing loans/finance for Housing/ Infrastructure projects and all other activities of the Company revolve around the main business within India. Accordingly, the company does not have separate reportable segments in terms of Indian Accounting Standard (Ind AS-108) on "Operating Segments".

In case of Associate Company

In line with Ind AS 108-Operating Segments, taking into account the organizational structure, product type and as well as the differing risks and returns criteria, there is no distinguishable geographical or business components on the basis of which segments can be identified

- 20) (i) The company has tested Impairment on assets in detail as per Ind-AS 36 and as a result of assessment/testing, there is no Impairment of Assets during the Financial Year 2022-23.
(ii) Vide gazette notification no. 26/2019 dated 20th March, 2019, Company was notified for the purposes of Section 194A(3)(iii) (f) of the Income Tax Act, 1961 for non-deduction of Tax at source.
- 21) The Company has discontinued acceptance/renewal of Public Deposits under its Public Deposit Scheme from 01st July, 2019. However, redemption of deposits already taken shall be made on due dates.
- 22) The company, while raising resources, is incurring expenses of recurring nature such as debenture trusteeship fees, listing fees to stock exchanges, custodian charges to depositories, R&T Charges etc., which are not amortized over life of resource raised. The aforesaid expenses are charged to Statement of Profit and Loss under the Head "Fees & Commission Expense"
- 23) HUDCO had invested an amount of ₹50 Crore in IIFCL Mutual Fund Infrastructure Debt Fund Series-1 in FY 2013-14, which constitute 16.67% of total holding of the fund. IIFCL Mutual Fund has proposed to close/wind up the scheme prematurely due to inability to comply with SEBI guidelines, high cost involved and low returns of around 4% since inception vis a vis market condition. In this regard, the company has decided to cast its vote in favour of the resolution proposed to be passed for premature closure/winding up the scheme of IIFCL Mutual Fund.
- 24) "The Company is a 'Large Corporate' in terms of the 'Framework for fund raising by issuance of Debt Securities by Large entities' laid under SEBI Operational Circular. Disclosure required under the said circular are given below

Particulars	31st March, 2023	31st March, 2022
Name of the company	Housing and Urban Development Corporation Ltd.	
CIN	L74899DL1970GOI005276	
Outstanding borrowing of company as on March 31 (in ₹crore)	61,101.06	58,829.42
Highest Credit Rating during the previous FY along with name of the Credit Rating Agency	"AAA" (with Stable Outlook) by India Ratings, ICRA and CARE Ratings.	
Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Ltd.	
Report filed for FY	2022-23	2021-22
Details of Incremental borrowings: (₹in crore)		
Incremental borrowing done in FY (With Original maturity of more than 1 year) (a)	14,391.50	4500.00
Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	3,598.00	1,125.00
Actual borrowings done through debt securities in FY (c)	3,970.00	2,500.00
Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	NIL	NIL
Reasons for short fall, if any, in mandatory borrowings through debt securities	NA	NA

* Borrowings include all outstanding borrowings (undiscounted) having original maturity of more than one year, but do not include external commercial borrowings as per SEBI Circular.

- 25) During the year ended 31st March 2023, the Company has raised funds through issue of listed non-convertible debt securities of different tenors on private placement basis. The issue proceeds of non-convertible debt securities issued during the period, have been fully utilized for the purpose(s)/ objects stated in the offer documents/ Information memorandum and there has been no deviation / variation in the use of proceeds of non-convertible debt securities from the objects stated in the offer documents/ Information memorandum. Further, there has been no default in repayment of debt securities, borrowings and other liabilities and the Company has met all its debt servicing obligations, both towards principal and interest, during the period in a timely manner
- 26) The Company makes full provision on doubtful debtors/ receivables which are outstanding for more than three years.
- 27) The Company has taken various office premises on cancellable operating lease basis with an option to renew the lease by mutual consent on mutually agreeable terms. The aggregate lease rentals payable is charged as office rent under Note No. 32- Other Expenses of the Statement of Profit & Loss. Further, there is no financial lease as Company's leasing arrangement does not transfer substantially all risks & rewards incidental to the ownership of an asset.
- 28) During the year under review, a provision for bad and doubtful debts under section 36(1)(vii), of Income Tax Act 1961 equivalent to 5% of the taxable income (after allowing deduction u/s 36(1)(viii)), totaling to ₹ 105 crore has been created.
- 29) (a) The company has declared an interim dividend of ₹150.14 crore @ ₹0.75 per share of ₹10/- each, to its shareholders, during the year 2022-23 after approval of Board of Directors in its meeting held on 14th March 2023. The same has been paid on 29th March 2023 to the Ministry of Housing & Urban affairs and Ministry of Rural Development, GOI and to the Retail Public.
(b) The Board of Directors at its meeting held on 26th May, 2023 has recommended a Final Dividend of 3.10 per share of ₹10/- each, which is subject to approval of shareholders at the ensuing Annual General Meeting.
- 30) **Details of Expenditure / Earnings in foreign currency:**

(₹ in Crore)

Particulars	2022-23	2021-22
Expenditure		
a) Travelling	-	-
b) Interest on foreign loan	2.17	1.45

Particulars	2022-23	2021-22
c) Others	0.34	0.01
Total Expenditure	2.51	1.46
Earnings		
a) Interest on overseas deposit	0.06	0.27

31) Earnings Per Share

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	2022-23	2021-22
Net Profit for the period attributable to equity shareholders (₹ in Crore) (a)	1701.62	1716.60
Weighted Average number of Equity Shares (b)	2,00,19,00,000	2,00,19,00,000
Basic / Diluted Earnings Per Share of ₹ 10/- each (₹) (a/b)	8.50	8.57

32) As per the Ind AS- 109, the impairment of the loan asset is being arrived by working out on Expected Credit Loss. The Project loans portfolio is segregated into Government and Non-Government segment. In case of government loans, it is segregated into Housing and UIF segment and non-government loans are segregated sector wise i.e. Building Material Industries, Core, Emerging, Energy, Roads and Transportation Value Added Real Estate and Social Housing. Further, all the loans are divided into three categories: -

- Stage – 1 - 0-30 days
- Stage – 2 - 31-90 days
- Stage – 3 - Above 90 days.

Summary of ECL as on 31st March, 2023

(₹ in Crore)

Portfolio	Stage 1	Stage 2	Stage 3	Total
Government				
Govt- Housing	3.81	3.06	181.08	187.95
Govt- UIF	3.64	43.63	58.77	106.04
Govt - Total	7.45	46.69	239.85	293.99
Non-Government				
Building Material Industries	0.00	0.00	12.51	12.51
Core Sector	0.00	0.00	2.82	2.82
Emerging Sector	0.00	0.00	349.88	349.88
Energy Sector	21.80	0.00	1169.03	1190.83
Roads And Transportation Sector	0.00	0.00	97.47	97.47
Value Added Real Estate	0.00	0.00	449.27	449.27
Social Housing Sector	0.00	0.00	13.32	13.32
Non Govt - Total	21.80	0.00	2094.30	2116.10
ECL on Loan Commitment	1.00	0.00	0.00	1.00
ECL on Interest Accrued	0.51	1.50	0.00	2.01

Portfolio	Stage 1	Stage 2	Stage 3	Total
ECL on FITL Cards	0.03	0.00	0.00	0.03
ECL on Project loans	30.79	48.19	2334.15	2413.13
ECL on Interest Accrued HN	0.00	0.00	0.00	0.00
Loan Commitment (HN)	0.00	0.00	0.00	0.00
ECL on HN Loans	0.16	0.00	17.77	17.93
Total ECL On HN	0.16	0.00	17.77	17.93
Total ECL	30.95	48.19	2351.92	2431.06

33) Exit from Associate Companies:
(a) Signa Infrastructure India Ltd. (SIIL)

The company has decided to exit from the Associate Company (Signa Infrastructure India Ltd.-SIIL) with Marg Construction Ltd. In pursuance of the Board's approval, the valuer was appointed by the Associate Company i.e., SIIL and indicated the value of the shares (₹10 each) at ₹76.22 per share. HUDCO has made an offer to the Associate Partner to purchase HUDCO shares in SIIL. The company has not responded to HUDCO offer. The Board of HUDCO was updated of the latest status and HUDCO Board in its meeting held on 19th December, 2019 decided that steps be taken for termination of joint venture agreement with M/s. Marg construction Ltd. (Promoter of Signa Infrastructure India Ltd) withdrawal of HUDCO Nominee Director and further action for dissolution (wind up) of Associate Company on grounds of non-compliance of various statutory compliances. In pursuance of Board Decision, HUDCO Nominee Director had submitted his resignation to the Company. In subsequent discussion held with Parent Co.-Marg Limited, HUDCO has requested for submission of concrete proposal for exit of HUDCO.

(b) Pragati Social Infrastructure & Development Ltd.

The company has decided to exit from the Associate Company (Pragati Social Infrastructure & Development Ltd.-PSIDL) with Pragati 47. PSIDL is not providing any financial information for the purpose of valuation of shares because of Court injunction. Further, HUDCO has also filled petition to National Company Law Tribunal (NCLT) "for oppression and mismanagement of operations against the company, which is pending adjudication".

(c) Shristi Urban Infrastructure Development Ltd.

The company had decided to exit from the Associate Company (Shristi Urban Infrastructure Development Ltd.-SUIDL) with Shristi Infrastructure Development Corporation Ltd. In this regard, the underlying assets i.e., SARGA Udaipur Hotels and Resorts Pvt. Ltd. (Being subsidiary of Shristi Urban Infrastructure Development Ltd.-SUIDL) has voluntarily approached NCLT for Insolvency Proceedings resulting in non-availability of authentic data for valuation of Associate Company.

34) Valuation of Investment

The Company had invested ₹2.50 crore in the shares of the Indbank Housing Ltd. (IBHL) more than 30 years back. Considering the fact that IBHL has highly negative Net Worth and meagre volume of trading in the share of the company, even though market price of the share as on 31st March, 2023 is ₹25.22 per share (previous year ₹27.40 per share), HUDCO continues to reflect the investment of ₹2.50 crore in IBHL at diminished value of ₹1 only as on 31st March, 2023.

35) Related parties Disclosure:
(a) Associates

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

(b) Key Management Personnel during the year 2022-23

Sl. No.	Director(s)	Status
1.	Shri. Kamran Rizvi, IAS	Chairman & Managing Director (Addl. Charge) (Upto 21.10.2022)
2.	Shri Kuldip Narayan, IAS	Chairman & Managing Director (Addl. Charge) (w.e.f. 27.03.2023)
3.	Shri M. Nagaraj	Director - Corporate Planning (DCP) (Whole time Director) (w.e.f 01.02.2019)
4.	Shri D. Guhan	Director - Finance (DF) & Chief Financial Officer (Whole time Director) (w.e.f. 31.12.2019)
5.	Shri Harish Kumar Sharma	Company Secretary (w.e.f. 06.11.2013)

(c) Transactions with Associates:
Investment in Associates
(₹ in Crore)

Proportion of ownership	25%	40%	26%		Total
Nature of Transactions	Ind bank Housing Ltd.	Shristi Urban Infrastructure Development Ltd.	Pragati Social Infrastructure & Development Ltd.	Signa Infrastructure India Ltd.	
Investments					
Balance as at 01.04.2022	2.50	2.00	0.13	0.01	4.64
Additions during the year	-	-	-	-	-
Deductions during the year	-	-	-	-	-
Balance as at 31.03.2023	2.50	2.00	0.13	0.01	4.64

(d) Transactions with Key Management Personnel:

- i) Shri M. Nagaraj, DCP, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2023.
- ii) Shri D. Guhan, DF, has not taken any advance during the year. Hence, there is no outstanding towards advances as on 31st March, 2023.
- iii) Shri Harish Sharma, Company Secretary has taken the following advances in the ordinary course of business.
 - House Building loan of ₹0.22 crore (interest bearing) from the company which was released in two tranches of ₹0.11 crore in December, 2016 and ₹0.11 crore in March, 2018, which was completely repaid during the FY 2022-2023. The interest accrued as on 31st March, 2023 is ₹0.01 crore. (Previous year: - ₹0.02 crore)
 - Welfare Advance of ₹0.02 crore in February, 2021, which was completely repaid during the FY 2022-2023 along with applicable interest. (Previous year: - ₹0.01 crore).
 - Festival Advance (interest free) of ₹0.01 crore in October, 2020 which was completely repaid during the FY 2022-2023 (Previous year: ₹0.01 crore).

(e) Managerial Remuneration:

The remuneration of key management personnel and a relative of key management personnel of the Company are set out below in aggregate for each of the categories specified in Ind AS 24 - Related party disclosures.

(₹ in crore)

Particulars	2022-23	2021-22
Short term employees' benefits	1.44	1.22
Post-employment benefits#	0.18	0.16
Other long-term benefits	1.04	-
Terminal benefits	-	-
TOTAL	2.66	1.38

Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined.

- (f) As per DPE letter dated 21st January, 2013, the Chairman and Managing Director and Whole Time Directors are entitled to use staff car for private use upto 1,000 km. per month against payment of ₹2,000/- per month.

In case of Associate Company:

a) Name of the related parties and description of relationship:

- 1. Holding Company of Reporting Enterprise**
Shristi Infrastructure Development Corporation Ltd. (SIDCL)
- 2. Fellow subsidiaries**
Sarga Hotel Private Ltd
(Formerly Shristi Hotel Private Limited)
Sarga Udaipur Hotel & Resorts Pvt Ltd.,
(Formerly Shristi Udaipur Hotels & Resorts Pvt. Ltd.)
Finetune Engineering Services Private Limited
Vipani Hotels & Resorts Private Limited
Border Transport Infrastructure Dev. Limited
East Kolkata Infrastructure Development Pvt. Ltd.
Vindhayachal Attivo Food Park Ltd.
Haldia Water services Pvt. Ltd.

b) Transaction with Related Parties

(₹ in Crore)

Nature of transaction / Name of the related party	Holding Company	
	2022-23	2021-22
Borrowings		
Shristi Infrastructure Development Corporation Limited		
taken during the year	0.01	0.02
Interest on Loan	0.47	0.47
Balance Outstanding as on :	31st March, 2023	31st March, 2022
Holding Co. - Shristi Infrastructure Development Corporation Limited		
Borrowings	3.35	3.35
Interest payable	3.86	3.44
Subsidiary Co.- Sarga Udaipur Hotels & resorts Pvt. Ltd.		
Investment in equity	3.00	3.00
Reimbursement of Expenses	0.06	0.06

- The transactions with related party have been entered at an amount which is not materially different from those on normal commercial terms.
- The amounts outstanding are unsecured and will be settled in cash.
- No guarantees have been given or received.
- No expense has been recognised in current year and previous year for bad or doubtful debts in respect of the amounts owed by related parties.

c) Share in Net Assets and Income

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

36) Information in relation to the interest of the company in Associates:
a) Details of Associates

(₹ in Crore)

Name of the Company	Contribution towards equity (₹ in crore)	Country of Residence	Proportion of ownership
Shristi Urban Infrastructure Development Ltd.	2.00	India	40%
Pragati Social Infrastructure & Development Ltd.	0.13	India	26%
Signa Infrastructure India Ltd.	0.01	India	26%
Indbank Housing Ltd.	2.50	India	25%
Total	4.64		

b) The following table summarizes key information relevant to associate company - Shristi Urban Infrastructure Development Ltd.

(₹ in Crore)

Particulars	31 st March, 2023 (Provisional)	31 st March, 2022 (Audited)
Cash and Cash equivalents	0.10	0.10
Trade receivables	5.20	5.20
Property, plant and equipment	0.01	0.01
Capital work-in-progress	34.55	33.74
Other financial assets	0.56	0.55
Other current assets	0.25	0.25
Other non-current assets	1.28	1.28
Current tax assets	0.15	0.15
Provisions	(0.00)	(0.00)
Borrowings	(22.06)	(22.05)
Trade payable	(0.37)	(0.37)
Other liabilities	(16.89)	(15.61)
Net Assets	2.78	3.25
Profit after tax	(0.47)	(0.47)

Information in respect of Investments in Associate viz., Pragati Social Infrastructure & Development Ltd, Signa Infrastructure India Ltd and Indbank Housing Limited has not been incorporated as HUDCO has decided to exit from the Associate and has provided for full diminution in the value of investment.

37) Corporate Social Responsibility

- a) The Company has formulated a CSR Policy in line with the guidelines issued by Department of Public Enterprise (DPE) vide its Office Memorandum No. CSR- 15/0008/2014-Dir (CSR) dated 01st August, 2016 and provisions of CSR in the Companies Act, 2013 with the approval of HUDCO's Board on the recommendations of Committee of Board.

As per Companies Act, 2013, company approved allocation for CSR Budget for the FY 2022-23, equivalent to 2% of the average profit (Profit before Tax) of immediately preceding three financial years amounting to ₹44.98 crore.

(₹ in Crore)

S. No.	Particulars	Amount			
		2022-23		2021-22	
1.	Gross Amount of CSR required to be spent	44.98		41.99	
2.	Amount spent during the year on:	In cash	Yet to be paid in cash	In cash	Yet to be paid in cash
	i) Construction/ Acquisition of any asset	--	--	--	--
	ii) On purpose other than (i) above	3.207*	--	29.47	--

(*) For the on-going projects sanctioned prior to 31.03.2021

During the FY 2022-23, HUDCO has approved CSR assistance of ₹26.68 crore for 19 proposals in various states. As per HUDCO's approved CSR Policy, 1st instalment of CSR assistance is to be released on completion of documentation and the subsequent instalments are released on receipt of utilization of certificate of the released CSR grant and after achieving physical/financial progress in the proposal. Since most of the proposals were approved in the last quarter of financial year, concerned agencies are yet to complete the documentation formalities and preparatory works for execution of works e.g., finalization of tender etc. and therefore the 1st instalment could not be released in proposals approved during the year and in view of this, the amount has been transferred to the unspent CSR account. This has resulted in delay in incurring CSR expenditure from the CSR budget of FY 2022-23.

- b) Companies (CSR Policy) Amendment Rules 2021 dated 22nd January, 2021 issued by Ministry of Corporate Affairs has notified that the Company hereafter follows the amended rules. Accordingly, any amount remaining unspent pursuant to ongoing projects undertaken by a company in pursuance of its CSR policy shall be transferred by the company in the unspent CSR Account with any Bank within a period of 30 days from the end of financial year. CSR amount transferred to the said account shall be spent by the company in pursuance of its obligation towards CSR Policy within a period of three financial year from the date of such transfer. Thereafter, balance of unspent amount, if any, shall be transferred to a fund specified in Schedule VII mentioned under Section 135 of Companies Act 2013, within a period of 30 days from the date of completion of the third financial year.
- c) During the year 2022-23, the company has approved CSR assistance of ₹26.68 crore for 19 proposals in various states, however as already stated above no expenditure could be incurred in these proposals as most of the proposals were approved in the last quarter of financial year and concerned agencies are yet to complete the documentation formalities. Accordingly, the amount pertaining to these ongoing proposals is transferred to 'Unspent CSR account' opened in April 2023 and shall be incurred as per Companies CSR Rules 2021 as stated above. Further, ₹3,20,72,843/- has been spent during current financial year 2022-23 for the ongoing CSR proposals sanctioned prior to 31st March, 2021.
- d) As of 31st March 2023, an amount of ₹ 18,30,18,204/-, being the unspent CSR amount other than ongoing CSR activities for the FY 2022-23 shall be transferred to Government fund specified in Schedule VII of the Companies Act,2013 within the stipulated time period, i.e., on or before 30th September,2023.
- e) In compliance with the Ministry of Corporate Affairs, Government of India notification dated 22nd January,2021, as already mentioned in the Annual Report under Category "CSR activities" for financial year 2021-22, HUDCO has transferred an amount of ₹16,99,00,000/- being the unspent CSR budget amount for the financial year 2021-22 to 'Swachh Bharat Kosh', a fund specified in Schedule VII of the Companies Act,2013 on 30th September, 2022.
- f) As on 31st March, 2023, the total amount available under Unspent CSR Account opened in April 2021 is ₹ 13,75,61,434/- (Previous year 31st March, 2022, ₹27,02,24,158/-). During the year, out of the aforesaid amount, ₹ 2,53,51,342/- and ₹73,86,085/- has been contributed to 'Swachh Bharat Kosh' and 'PMCARES Fund' funds specified in Schedule VII of the Companies Act, 2013, respectively due to closure and curtailment of CSR proposals sanctioned prior to 31st March, 2021. Besides this, ₹ 8,88,90,596/- amounting to the other than earmarked for ongoing projects of earlier years due to closure and curtailment has been transferred to 'Swachh Bharat Kosh', a fund specified in Schedule VII of the Companies Act,2013 on 30th September, 2022 as already mentioned in the Annual Report under Category "CSR activities" for financial year 2021-22

38) Research & Development (R&D)

The Company had formulated a Research & Development (R&D) policy in line with the guidelines issued by the Department of Public Enterprises vide Office Memorandum No. 3(9)/2010-DPE (MoU) dated 20.09.2011. However, vide Office Memorandum No. M-05/0012/2014-DPE(MoU) dated 17th July, 2019, DPE informed that the guidelines prescribed vide above Office Memorandum dated 20.09.2011 have become redundant and stood withdrawn. The Board of Directors of HUDCO in its meeting held on 19.02.2020 noted the above development and has also approved to continue with HUDCO's own R&D policy formulated in 2012. The Board of Directors also approved to discontinue with earmarking 0.5% of PAT until the accumulated non-lapsable R&D funds are fully utilized. During the FY 2022-23, an amount of ₹0.13 crore was spent on R&D. Accordingly an amount of ₹ 9.30 crore as on 31st March 2023 (Previous Year: ₹ 9.43 crore) was available with HUDCO as non-lapsable R&D funds.

- 39) The Company has not advanced or lent or invested any funds which are material either individually or in the aggregate (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not received any fund which are material either individually or in the aggregate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

40) **Additional Disclosure requirement as per NHB/RBI Directions**

a) **Capital to Risk Assets Ratio (CRAR)**

Particulars		2022-23	2021-22
i)	CRAR (%)	73.79%	74.29%
ii)	CRAR - Tier I Capital (%)	73.64%	74.12%
iii)	CRAR - Tier II Capital (%)	0.15%	0.17%
iv)	Amount of subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

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

(₹in Crore)

Particulars		2022-23	2021-22
Balance at the beginning of the year			
(a)	Statutory Reserve u/s 29C of the NHB Act,1987		
(b)	Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s29C of the NHB Act,1987	5735.19	5235.19
(c)	Total	5735.19	5235.19
Addition / Appropriation / Withdrawal during the year			
Add:			
(a)	Amount transferred u/s 29C of the NHB Act,1987		
(b)	Amount of Special Reserve u/s 36(1)(viii) of IncomeTaxAct,1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act,1987	500.00	500.00
Less:			
(a)	Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act,1987	-	-
(b)	Amount withdrawn from the Special Reserve u/s36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29Cof the NHB Act,1987		
(c)	Transfer to General Reserve	-	-
Balance at the end of the year			
(a)	Statutory Reserve u/s 29C of the NHB Act,1987		
(b)	Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act,1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act,1987	6235.19	5735.19
(c)	Total	6235.19	5735.19

c) Investments

(₹ in Crore)

Particulars	2022-23	2021-22
Value of Investments		
(i) Gross value of Investments		
(a) In India	634.48	261.82
(b) Outside India		-
(ii) Provisions for Depreciation		
(a) In India	3.11	3.11
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	631.37	258.71
(b) Outside India		-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	3.11	3.11
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/Written-back of excess provisions during the year	-	-
(iv) Closing balance	3.11	3.11

d) Derivatives

i) Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)

Particulars	2022-23	2021-22
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counter parties failed to fulfill their obligations under the agreements	-	-
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

ii) Exchange Traded Interest Rate (IR) Derivative

(₹ in Crore)

Particulars	Amount
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	NIL
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31 st March, 2023 (instrument-wise)	NIL
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	NIL

iii) Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure

The Company has Risk Management Policy duly approved by the Board. The Policy covers the currency risk (including interest rate risk) of the Company. This policy provides the guiding parameters within which the Company can take decisions for managing the Currency Risk that it is exposed to on account of foreign currency loans. The purpose of the policy is to provide a framework to the company for management of its foreign currency risk.

B. Risk Management Structure:

- a) The Company enters into derivatives viz. Principal only Swaps, Currency and Interest Rate Swaps/ Forward rate contract for hedging the interest/ exchange rate risk in foreign currency liabilities. An Asset Liability Management Committee (ALCO) is currently functioning under the chairmanship of Director Finance with Head of Resources, Head of Operations, Head of Loan accounts, Head of General Accounts, Head of Economic Cell, Head of Risk Management as Member Secretary, or any other officer nominated as by ALCO Chairman as its member ALCO monitors effectiveness of existing and new hedging instruments/ strategies being used/ to be used for management of the Currency risk and also for taking stock of the market movements. The decisions of the ALCO are reviewed by the Risk Management Committee (RMC) for managing the risks. The decisions taken by the RMC are subsequently reported to the Board of Directors.
- (b) These derivative transactions are done for hedging purpose and not for trading or speculative purpose.
- (c) Reference may be drawn to Sub Point No. f of para 5A of Notes forming part of accounts under Significant Accounting Policies for relevant accounting policy on Transactions in Foreign Currency.

C. Quantitative Disclosure

(₹ in crore)

Particulars	Currency Derivatives* 2022-23	Interest Rate Derivatives 2022-23
(i) Derivatives (Notional Principal Amount)	1.53	-
(ii) Marked to Market Positions **		
(a) Assets (+)	0.02	-
(b) Liability (-)	-	-
(iii) Credit Exposure ***	0.04	-
(iv) Unhedged Exposures	61.66	-

* Swap arrangement entered into with Exim Bank in respect of foreign currency loans availed from USAID had not been considered as Currency Derivatives. Only the Forward contract entered into by the Company with MUFG Bank in respect of JICA has been considered as Currency Derivative.

** The mark to market positions mentioned above are those as informed by the counterparties (generally banks).

*** Sum of the total replacement cost (obtained by "mark to market") of all contracts with positive value and an amount for potential future changes in credit exposure calculated on the basis of the total notional principal amount of the contract multiple by credit conversion factor according to the resident maturity of the contract (i.e., 1% in the case of exchange rate contract with maturity of less than one year).

e) Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

(₹ in Crore)

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over One month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	0.02	0.00	0.08	0.05	0.15	0.22	1.12	0.07	0.00	0.00	1.71
Borrowings from banks	121.50	0.00	20.50	1266.00	694.83	720.15	493.77	11177.66	140.38	0.00	14634.79
Market Borrowings	0.00	1400.00	0.00	0.00	2100.00	1470.00	2581.67	6487.69	6026.92	28125.81	48192.09
Foreign Currency Liabilities	0.00	0.00	0.00	0.00	0.00	6.73	5.20	20.80	20.80	22.96	76.49
Assets											
Advances	0.59	1010.56	17.83	1271.61	69.06	1362.25	2778.94	12564.98	12279.95	47881.21	79236.97
Investments	71.93	166.66	39.87	89.22	0.00	0.00	75.69	0.00	0.00	187.99	631.36
Foreign Currency Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Mismatches, if any, are supported by committed/undrawn working capital limits available from banks.

f) Exposure
i) Exposure to Real Estate Sector

(₹ in Crore)

Category		2022-23	2021-22
a)	Direct Exposure		
	(i) Residential Mortgages-		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 lakh may be shown separately)	38.86	44.00
	(ii) Commercial Real Estate-		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi- purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels land acquisition, development, and construction, etc.). Exposure would also include non-fund based (NFB) limits:	1040.02	1101.85
	(iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures-		
	a) Residential	-	--
	b) Commercial Real Estate	-	--
b)	Indirect Exposure		
	Fund based and non-fund-based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		
	A) Indbank Housing @	2.50	2.50
	B) Centbank housing	1.70#	11.30
	C) Exposure to group companies in real estate sector - Shrishti Urban Infrastructure limited	2.00	2.00

Note@: 100% Provision made in the books and shown as ₹1 in the books

Fair value of exposure in the books of accounts is ₹ 12.75 Crore.

ii) Exposure to Capital Market

(₹in Crore)

Particulars	2022-23	2021-22
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity- oriented mutual funds, the corpus of which is not exclusively invested in corporate debt; (At Cost)	46.75	46.75
(ii) Advances, against shares/ bonds/ debentures or other securities or, on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	NIL	NIL
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	NIL	NIL
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e., where the primary security other than shares/convertible bonds/ convertible debentures/ units of equity oriented mutual funds' does not fully cover the advances;	NIL	NIL
(v) Secured and unsecured advances to stock brokers and guarantees issued on behalf of stock brokers and market makers;	NIL	NIL

Particulars	2022-23	2021-22
(vi) Loans sanctioned to corporate, against the security of shares/ bonds/ debentures or other securities or, on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	NIL	NIL
(vii) Bridge loans to companies against expected equity flows/issues;	NIL	NIL
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	NIL	NIL
Total Exposure to Capital Market	46.75	46.75

iii) **Details of financing of parent company products:** Not Applicable on company

g) **Disclosure of Penalties imposed by NHB and other regulators:** No penalty has been levied.

h) **Unsecured Advances**

(₹ in Crore)

S. No.	Particulars	2022-23	2021-22
1.	Unsecured Advances (Gross)	548.28	374.47

i) **Registration obtained from other regulators:**

Refer note 40(14)(a) for details

j) **Rating assigned by Credit Rating Agencies and migration of rating during the year**

- The credit rating of HUDCO's domestic debt instrument(s) and Banking Sector Loan(s)/Facilities reaffirmed as "AAA-Stable" (Long term) and "A1+" (Short term), being the highest rating on Standalone basis by the three credit rating agencies, viz., India Ratings and Research Private Ltd (IRRPL), CARE Ratings Limited and ICRA Limited.
- During the financial Year 2022-23, two International Credit Rating agencies viz., FITCH and Moody's have re-affirmed credit rating of "BBB-with Stable Outlook" and "Baa3 with Stable Outlook" respectively of the company. Each of the above credit ratings is equivalent to India's sovereign rating, and is of Investment grade.

k) **Provision and Contingencies**

(₹ in Crore)

S. No.	Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Account	2022-23	2021-22
1.	Provisions for depreciation	-	-
2.	Provision made towards Income tax	435.00	419.00
3.	Provision towards NPA*	26.13	98.48
4.	Provision for Standard Assets *		
	i) Commercial Real Estate (Residential Housing) - CRE-RH	(4.38)	(1.93)
	ii) Commercial Real Estate- CRE	22.35	(0.51)
	iii) Other than CRE & CRE-RH	2.86	11.71
	iv) Others (Special dispensation by NHB)	-	-
	v) Investment in unquoted Bonds	-	-
5.	Other Provision and Contingencies		
	A. Provision for Employee Benefit		
	i) Leave Encashment	4.32	7.16
	ii) Post-Retirement medical benefit	28.30	29.27
	iii) Welfare expenses	0.41	(0.59)
	iv) Gratuity	0.69	0.11
	v) Provident Fund	(42.84)	3.30
	B. Provision on Debtors/ Recoverable, other than loans and advances	(0.53)	3.89

*The figures reported above are as per NHB Provision, however the same is not appearing in the Profit & Loss due to application of ECL as per Ind AS norms.

I) Concentration of Public Deposits, Advances, Exposures and NPAs
i. Concentration of Public Deposits*

Particulars	2022-23	2021-22
Total Deposits of twenty largest depositors (₹ in crore)	1.50	2.69
Percentage of Deposits of twenty largest depositors to total Deposits of the HFC	87.99%	68.99%

*The Company has discontinued acceptance/ renewal of Public Deposits under its Public Deposit Scheme from 1st July, 2019.

ii. Concentration of Loans & Advances

Particulars	2022-23	2021-22
Total Loans & Advances to twenty largest borrowers (₹ in crore)	67,855.97	65,743.05
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	84.04%	84.01%

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

Particulars	2022-23	2021-22
Total Exposure to twenty largest borrowers / Customers (₹ in crore)	72,732.88	68,433.31
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the HFC on borrowers/customers	80.76%	81.17%

iv. Concentration of NPAs

Particulars	2022-23	2021-22
Total Exposure to top ten NPA accounts (₹ in Crore)	2038.91	2056.43

v. Sector wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		2022-23	2021-22
A.	Housing Loans:		
1.	Individuals	20.63%	19.06%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	100.00%	100.00%
4.	Others	1.11%	1.01%
B.	Non-Housing Loans:		
1.	Individuals	0.00%	0.00%
2.	Builders/Project Loans	100.00%	100.00%
3.	Corporates	85.12%	85.19%
4.	Others	1.42%	1.57%

m) Movement of NPAs

(₹ in Crore)

Particulars	2022-23	2021-22
(I) Net NPAs to Net Advances (%)	0.48%	0.53%
(II) Movement of NPAs (Gross)		
a) Opening balance	2809.20	2756.89
b) Additions during the year	66.15	61.08
c) Reductions during the year	116.18	8.77
d) Closing balance	2759.17	2809.20
(III) Movement of Net NPAs (Project Loans)		
a) Opening balance	400.65	446.83
b) Additions during the year	4.54	7.97
c) Reductions during the year	28.90	54.15
d) Closing balance	376.29	400.65
(IV) Movement of provisions for NPAs (Excluding provisions on standard assets)		
a) Opening balance	2408.55	2310.06
b) Provisions made during the year	61.61	113.97
c) Write-off/write-back of excess provisions	86.11	15.48
d) Closing balance	2384.05	2408.55

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

(₹ in Crore)

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	2022-23	2021-22	2022-23	2021-22
Standard Assets*				
a) Total Outstanding Amount	43,558.69	44,559.59	35084.41	31,706.75
b) Provisions made	176.61	182.69	161.90	134.98
Sub-Standard Assets				
a) Total Outstanding Amount	66.40	61.16	0.00	0.00
b) Provisions made	9.95	9.18	0.00	0.00
Doubtful Assets – Category-I				
a) Total Outstanding Amount	52.45	346.66	0.00	0.00
b) Provisions made	13.11	86.67	0.00	0.00
Doubtful Assets – Category-II				
a) Total Outstanding Amount	325.25	1.03	143.05	146.75
b) Provisions made	130.10	0.41	57.22	58.70
Doubtful Assets – Category-III				
a) Total Outstanding Amount	147.96	150.45	1988.11	2,067.12
b) Provisions made	147.96	150.45	1988.11	2,067.12
Loss Assets				
a) Total Outstanding Amount	23.32	23.39	12.63	12.63

Break up of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	2022-23	2021-22	2022-23	2021-22
b) Provisions made	23.32	23.39	12.63	12.63
Total				
a) Total Outstanding Amount	44174.07	45,142.28	37228.20	33933.25
b) Provisions made	501.05	452.79	2219.86	2273.43
c) Additional Provision made	1.02	0.53	0.00	0.00
d) Total Provision made	502.07	453.32	2219.86	2273.43

* Includes Interest Accrued Figures also

(o) **Overseas Assets**

Particulars	2022-23		2021-22	
	(₹ in crore)	(US \$ in Million)	(₹ in crore)	(US \$ in Million)
Bank Deposits - Under lien with Bank of India, Cayman Islands Branch, USA	0.00	0.00	16.25	2.14

p) **Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)-** No SPV has been sponsored by the company

q) **Customer Complaints**

Particulars	2022-23	2021-22
a) No. of complaints pending at the beginning of the year	0	0
b) No. of complaints received during the year	1389	2085
c) No. of complaints redressed during the year	1389	2085
d) No. of complaints pending at the end of the year	0	0

r) There are no advances outstanding for which intangible securities such as charge over the rights, licenses, authority etc. has been taken.

s) The Company has not extended any loan/advances against gold as collateral security.

t) There is no change in accounting policies during the financial year.

u) The company has the system in place to process all the accounting transactions through independent IT systems. The company is in the process of implementation of ERP system and some of the modules have been operationalised during the Year 2022-23.

v) Principal Business Criteria of HUDCO in accordance with the guidelines outlined in para 4.1.17 and para 5.3 of the Master Directions for Non-Banking Finance Companies- Housing Finance Companies (Reserve Bank) Directions, 2021, dated February 17, 2021 is as follows

Housing Finance Company-Para 4.1.17 of NBFC-HFC (Reserve Bank) Directions 2021.

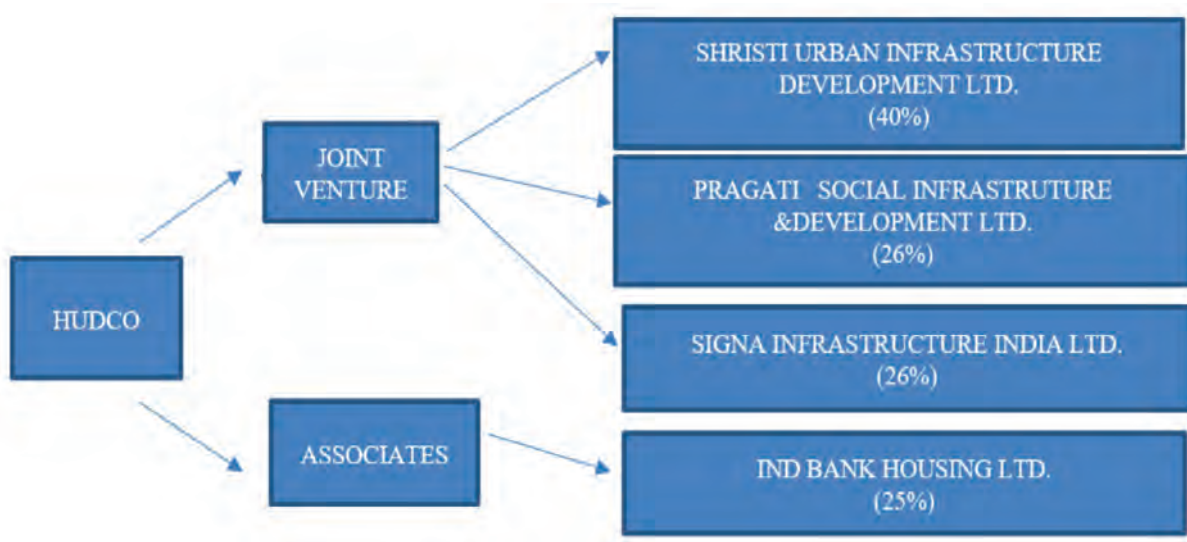
Criteria-I	NBFC	%	Limit
A	Financial Assets/Total Assets (Net of Intangible Assets)	99.38%	>50%
B	Income from Financial Assets/Gross Income	98.83%	>50%

Criteria-II	HFC	%	Limit
C	Housing Finance / Total Assets (net of Intangible Assets)	54.05%	≥60%
D	Housing Finance for Individual / Total Assets (net of Intangible Assets)	0.11%	≥50%

During the computation of Principal Business Criteria, HUDCO has taken into consideration the loan assets extended under the Beneficiary Led Construction (BLC) and Extra Budgetary Resources (EBR) components. Under both these components, loans are provided for affordable housing purposes. HUDCO has classified both these components under the housing category for its book keeping purposes.

HUDCO has recently resubmitted its application to the Reserve Bank of India (RBI) for registration as NBFC-IFC. In this regard, we have submitted the certified infrastructure lending portfolio, certified by our statutory auditors, to the RBI. It is worth noting that in the certified infrastructure lending portfolio, HUDCO has categorized the loans extended under the Beneficiary Led Construction (BLC) and Extra Budgetary Resources (EBR) for affordable housing purposes only, under the Social and Commercial Infrastructure category, as per the Harmonized Master List of Infrastructure Sub-Sectors issued by the Ministry of Finance (Department of Economic Affairs).

w) Diagrammatic representation of Group Structure (Associates).



41) Public Disclosure on Liquidity Risk, pursuant to RBI Guidelines on Liquidity Risk Management Framework for Housing Finance Companies dated February 17, 2021

(i) Funding Concentration based on significant counterparty¹ (both deposits* and borrowings)

Number of Significant Counterparties ^{1**}	Amount (₹ In crore)	% Of Total deposits ²	% Of Total Liabilities ³
18	38,857.37	NA**	59.30%

* Total Deposits - ₹ 21.31 crore, which includes Term deposits from public of ₹1.71 crore and amount of ₹19.60 crore invested by Individuals/ HUF and Trust in the unsecured non-convertible debentures of the company with a maturity of more than one year and having subscription of less than ₹1 crore.

** The company does not have any depositor who would be eligible as significant Counter Party¹.

(ii) Top 20 Large Deposits:

As at 31.03.2023	
Amount (₹ In crore)	% Of Total deposits*
21.00**	98.55%

* Total Deposits - ₹ 21.31 crore, which includes Term deposits from public of ₹1.71 crore and amount of ₹19.60 crore invested by Individuals/ HUF and Trust in the unsecured non-convertible debentures of the company with a maturity of more than one year and having subscription of less than ₹1 crore.

** There are more than one investor with same value of investment. For proper depiction, all such investors have been clubbed together and forms part of top 20 large deposits.

(iii) Top 10 borrowings:

As at 31.03.2023	
Amount (₹ In crore)	% Of Total Borrowing*
33,207.57*	52.79%

*Based on size of bond issuance/ term loans from banks.

(iv) Funding Concentration based on significant instrument /product¹:

S.No.	Significant instrument /product ¹	As at 31.03.2023	
		Amount (crore)	% Of Total Liabilities ³
1.	Debt Securities		
	- Tax- Free NCDs	13,977.81	21.33%
	- Taxable NCDs	34,214.28	52.22%
	Sub Total (1)	48,192.09	73.55%
2.	Borrowings (Other than Debt Securities)		
	- Refinance Facility from NHB	777.14	1.19%
	- Banking facilities (Long Term + Short Term)	13,857.65	21.15%
	Sub Total (2)	14,634.79	22.33%
	Total (1+2)	62,826.88	95.88%

(v) Stock Ratios:

S. No.	Particulars	Amount (₹ In crore)	% To total public funds	% To total liabilities	% To total assets
1.	Commercial papers	-	-	-	-
2.	Non-convertible debentures (original maturity less than 1 year)	-	-	-	-
3.	Other short-term liabilities*	7474.07	11.88%	11.41%	9.23%

* Other Short-Term Liabilities include Financial Liabilities and non-financial liabilities payable within a year (excluding Commercial Papers and Non-convertible debentures of original maturity of less than 1 year).

Notes:

- Significant counterparty/ Significant instrument/ product is defined as single counterparty/ single instrument/ product or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.
- “Public Deposits” are as defined in the Master Directions - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016.
- Total Liabilities has been computed as sum of all financial and non-financial liabilities (extracted from the audited Standalone Financial Statements prepared as per IND-AS for the period ended March 31, 2023) and does not include Equities and Reserve & Surplus.
- “Public Funds” are as defined in Master Directions- Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, which states that “Public funds” includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all

funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue.

5. The information stated in this disclosure is based on Audited Standalone Financial Statements (prepared as per IND-AS) for the period ended March 31, 2023.

42) Disclosure on Liquidity Coverage Ratio

Qualitative Disclosure:

Institutional set-up for the Liquidity Risk Management: HUDCO has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that there is a robust system of risk controls and mitigation in place. HUDCO has a well-structured robust Risk Management Policy and Operating Manual in line with its objectives to address the various risks.

In compliance with the SEBI (LODR) Regulations, 2015, HUDCO has in place a Board Level Committee under the nomenclature 'Risk Management Committee' (RMC) headed by an Independent Government Nominee Director, which reviews various decisions/ recommendations of the three sub-committees namely:

- Assets & Liabilities Management Committee (ALCO);
- Credit Risk Management Committee (CRMC); and
- Operational Risk Management Committee (ORMC)

The Risk Management Committee (RMC), which is a committee of the Board, is responsible for evaluating and monitoring the integrated risk management system of the Company including liquidity risk. The ALCO is responsible for ensuring adherence to the liquidity risk tolerance/limits set out in the board approved Asset Liability Management (ALM) policy. The role of the ALCO with respect to liquidity risk includes, inter alia, decision on desired maturity profile for assets & liabilities, responsibilities and controls for managing liquidity risk, and overseeing the liquidity position of the company. The ALM Policy is reviewed periodically to realign the same pursuant to any regulatory changes in the economic landscape or business needs and tabled to the Board for approval.

Management regularly reviews the position of cash and cash equivalents by aligning the same with the projected maturity of financial assets and financial liabilities, economic environment, liquidity position in the financial market, anticipated pipeline of future borrowing & future liabilities and threshold of minimum liquidity defined in the ALM policy with additional liquidity buffers as management overlay.

The Liquidity Coverage Ratio (LCR) is a global minimum standard to measure the Company's liquidity position. The Reserve Bank of India (RBI), vide its Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, dated February 17, 2021, introduced the LCR requirement for all non-deposit-taking HFCs with an asset size of ₹ 10,000 crore and above and all deposit taking HFCs irrespective of their asset size as per the following timeline:

From	December 01, 2021	December 01, 2022	December 01, 2023	December 01, 2024	December 01, 2025
Minimum LCR	50%	60%	70%	85%	100%

Hence, the company is required to maintain minimum LCR of 50% w.e.f December 01, 2021).

Further, the aforementioned Master Direction states that the guidelines on Liquidity Risk Management Framework prescribed for NBFCs by the RBI vide its Master Direction - Non-Banking Financial Company – Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, dated September 01, 2016 shall apply mutatis mutandis to Housing Finance Companies (HFCs).

As per the said guidelines, the Company shall maintain an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 calendar-day time horizon under a significantly severe liquidity stress scenario. "HQLA" means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. "Unencumbered" means free of legal, regulatory, contractual or other restrictions on the ability of the NBFC to liquidate, sell, transfer or assign the asset. Assets to be included in the computation of HQLAs are those that the NBFC is holding on the first day of the stress period. Such assets shall be valued at an amount not greater than their current market value for the purpose of computing the LCR. Depending upon the nature of assets, they have been assigned different haircuts, which are to be applied while calculating the HQLA for the purpose of calculation of LCR.

In order to determine HQLA, the company considers Fixed Deposits which are maintained with Scheduled Commercial Banks

owing to the fact that it bears 0% haircut. As a matter of prudence for the purpose of maintenance of LCR, highest level of HQLA requirement in the forthcoming 7 days is considered on continuous basis by the company.

Liquidity Coverage Ratio (LCR) is represented by the following ratio:

$$\frac{\text{Stock of High Quality Liquid Assets (HQLAs)}}{\text{Total Net Cash Outflows over the next 30 calendar days}}$$

In order to determine Net Cash Outflows, the Company considers total expected cash outflow minus total expected cash inflows for the subsequent 30 calendar days by assigning a predefined stress percentage to the overall cash inflows and cash outflows. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to underflow). However, total cash inflows will be subjected to an aggregate cap of 75%, of total expected cash outflows.

In other words:

Total Net Cash Outflows over the next 30 days = Stressed Outflows – Lower of (Stressed Inflows or 75% of Stressed Outflows).

One of the components of cash outflow of this disclosure includes Other Contractual Funding Obligations, which, inter alia, includes payment of taxes and dividend paid by the company.

The Company computes the LCR and reports the same to the Asset Liability Management Committee (ALCO) every month for review and approval.

Quantitative Disclosure

High Quality Liquid Assets	Quarter 1 (April 2022 to June 2022)		Quarter 2 (July 2022 to September 2022)		Quarter 3 (October 2022 to December 2022)		Quarter 4 (January 2023 to March 2023)	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
Total High Quality Liquid Assets (HQLA)	381.99	381.99	311.42	311.42	342.84	342.84	451.55	451.55
Cash Outflows								
Deposits (For Deposit Taking Companies)	0.24	0.28	0.26	0.30	0.10	0.11	0.27	0.31
Unsecured Wholesale Funding	2492.56	2866.45	1548.93	1781.27	1219.19	1402.07	755.22	868.5
Secured Wholesale Funding	29.89	34.37	70.13	80.65	169.68	195.13	994.68	1143.88
Additional Requirements, Of Which								
- Outflows Related To Derivative Exposures And Other Collateral Requirements	-	-	-	-	-	-	-	-
- Outflows Related To Loss Of Funding On Debt Products	-	-	-	-	-	-	-	-
- Credit And Liquidity Facilities	-	-	-	-	-	-	-	-
Other Contractual Funding Obligations	20.00	23.00	21.36	21.36	20.00	23.00	25.47	29.29
Other Contingent Funding Obligations	2.53	2.91	3.00	3.00	3.00	3.45	3.00	3.45
TOTAL CASH OUTFLOWS	2545.22	2927.00	1643.67	1890.23	1411.97	1623.76	1778.64	2045.43
Cash Inflows								
Secured Lending	914.82	686.11	1055.21	791.41	917.47	688.11	1090.71	818.03

High Quality Liquid Assets	Quarter 1 (April 2022 to June 2022)		Quarter 2 (July 2022 to September 2022)		Quarter 3 (October 2022 to December 2022)		Quarter 4 (January 2023 to March 2023)	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
Inflows From Fully Performing Exposures	-	-	-	-	-	-	-	-
Other Cash Inflows	9656.30	7242.22	11090.21	8317.66	9611.91	7208.93	10221.70	7666.27
TOTAL CASH INFLOWS	10571.12	7928.34	12145.42	9109.07	10529.38	7897.04	11312.41	8484.3
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
TOTAL HQLA		381.99		311.42		342.84		451.55
TOTAL NET CASH OUTFLOWS		731.75		472.56		405.94		511.36
LIQUIDITY COVERAGE RATIO (%)		52.20%		65.90%		84.46%		88.30%

Notes:

1. Unweighted values calculated as outstanding balances maturing or callable within 30 days (for Cash Inflows and Cash Outflows).
2. Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors (on Cash Inflow/ Cash Outflow).
3. The average unweighted and weighted amounts are calculated taking simple averages of daily observations.

43) Annexure III as per RBI
**Schedule to the Balance Sheet of HUDCO
(As at 31.03.2023)**

(₹ in Crore)

Particulars		Amount outstanding	Amount overdue
Liabilities side			
1	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a)	Debentures:		
	Secured	13977.80	-
	Unsecured	34214.28	-
	(Other than falling within the meaning of public deposits)		
(b)	Deferred Credits		-
(c)	Term loans	14711.28	-
(d)	Inter-corporate loans and borrowing		-
(e)	Commercial paper		-
(f)	Public Deposits	1.71	-
(g)	Other Loan (Please Specify)		-

2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security		-
	(c) Other public deposits	1.71	-
Assets Side		Amount outstanding	
3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		81647.38
	(b) Unsecured		20.80
4.	Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial lease	-	
	(b) Operating lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Other loans counting towards asset financing activities		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	-	
5	Break up of investments		
a	Current Investments		
	1. Quoted		
	(i) Shares	-	
	Equity	-	
	Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	
	2. Unquoted		
	(i) Shares	-	
	Equity	-	
	Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities		367.68
	(v) Others (please specify)	-	
	3. Short Term Deposits (INR)	-	
	4. Commercial Papers (Impairment fully provided)	-	
b	Long Term investments		
	Quoted		
	(i) Shares		
	Equity		0.10

		Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	50.00
	(iv)	Government Securities	-
	(v)	Others (please specify)	-
	Unquoted		
	(i)	Shares	46.65
		Equity	
		Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	
	(iv)	Government Securities	-
	(v)	Others (please specify)	-

Borrower group-wise classification of assets financed as in (3) and (4) above

6	Category		Amount (Net of Provisions) (₹ in Crore)		
			Secured	Unsecured	Total
1	Related Parties				
	(a)	Subsidiaries	NIL	-	-
	(b)	Companies in the same group	NIL	-	-
	(c)	Other related parties	NIL		
2	Other than related parties		79227.76	9.21	79236.97
	Total		79227.76	9.21	79236.97

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties		
	(a)	Subsidiaries	-
	(b)	Companies in the same group	2.00
	(c)	Other related parties	-
2	Other than related parties		629.37
	Total		631.37
8	Other Information		
	Particulars		Amount (₹ in Crore)
(i)	Gross Non-Performing Assets		
	(a)	Related Parties	-
	(b)	Other than related parties	2759.17
(ii)	Net Non-Performing Assets		
	(a)	Related Parties	
	(b)	Other than related parties	407.25
(iii)	Assets acquired in satisfaction of debt		-

Schedule to the Balance Sheet of HUDCO
(As at 31.03.2022)

(₹ in Crore)

Particulars			Amount outstanding	Amount overdue
Liabilities side				
1	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:			
	(a)	Debentures:		
		Secured	14,993.99	-
		Unsecured	39,456.18	-
		(Other than falling within the meaning of public deposits)		
	(b)	Deferred Credits	-	-
	(c)	Term loans	7,048.96	-
	(d)	Inter-corporate loans and borrowing	-	-
	(e)	Commercial paper	-	-
	(f)	Public Deposits	3.90	-
	(g)	Other Loans	-	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
	(a)	In the form of Unsecured debentures	-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c)	Other public deposits	3.90	-
Assets Side			Amount outstanding	
3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:			
	(a)	Secured		79,119.83
	(b)	Unsecured		374.47
4	Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities			
	(i)	Lease assets including lease rentals under sundry debtors		
		(a) Financial lease		-
		(b) Operating lease		-
	(ii)	Stock on hire including hire charges under sundry debtors:		
		(a) Assets on hire		-
		(b) Repossessed Assets		-
	(iii)	Other loans counting towards asset financing activities		
		(a) Loans where assets have been repossessed		-
		(b) Loans other than (a) above		-
5	Break up of investments			

a	Current Investments		
	1.	Quoted	
		(i) Shares	
		Equity	-
		Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	-
		(v) Others (please specify)	-
	2.	Unquoted	
		(i) Shares	
		Equity	-
		Preference	-
		(ii) Debentures and Bonds	-
		(iii) Units of mutual funds	-
		(iv) Government Securities	2.75
		(v) Others (please specify)	-
	3.	Short Term Deposits (INR)	-
	4.	Commercial Papers (Impairment fully provided)	-
b	Long Term investments		
	Quoted		
	(i)	Shares	
		Equity	0.10
		Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	50.00
	(iv)	Government Securities	-
	(v)	Others (please specify)	-
	Unquoted		
	(i)	Shares	
		Equity	46.65
		Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (please specify)	-

Borrower group-wise classification of assets financed as in (3) and (4) above

6	Category		Amount (Net of Provisions) (₹ in Crore)		
			Secured	Unsecured	Total
1	Related Parties				
	(a)	Subsidiaries	-	-	-
	(b)	Companies in the same group			
	(c)	Other related parties	-	0.05	0.05
2	Other than related parties		76,978.86	11.01	76,989.87
	Total		76,978.86	11.06	76,989.92

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

	Category		Market value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties			
	(a)	Subsidiaries	-	-
	(b)	Companies in the same group	2.00	2.00
	(c)	Other related parties	-	-
2	Other than related parties		256.70	97.50
	Total		258.70	99.50

8 Other Information		Amount (₹ in Crore)	
Particulars			
(i)	Gross Non-Performing Assets		
	(a) Related Parties		-
	(b) Other than related parties		2809.21
(ii)	Net Non-Performing Assets		
	(a) Related Parties		-
	(b) Other than related parties		387.79
(iii)	Assets acquired in satisfaction of debt		-

44) Relationship with Struck-off Companies

S. No.	Name of the Struck-off Company	Nature of transactions with Struck-off Company	Balance Outstanding as on 31.03.2023	Relationship with the Struck-off Company, if any, to be disclosed
1)	Intra Consolid (India) Limited	Investments in securities	₹10 Lacs and 100% Provision made in the books and Shown as ₹ 1 in the books.	Shareholder of the company
2)	Periwal Bricks Limited		₹10 Lacs and 100% Provision made in the books and Shown as ₹1 in the books.	

3)	Chesterton Meghraj Property Consultants Pvt Ltd.	Payables	50,050.00	Consultant
4)	Vishwanirmal Merchandise and Consumer Products Private Limited	Investment in Bonds	₹ 32 Lacs	Bondholder of the Company

Note: The exercise to trace the relationship of the company with the struck off companies, has been carried out in-house, and to the best of knowledge and understanding, three agencies have been traced where name has been struck off by MCA under Companies Act 2013.

45) Disclosure on Corporate Social Responsibility(CSR) Activity

(₹ in Crore)

Sr. No.	Particulars	2022-2023	2021-2022
a	Amount required to be spent	44.98	41.99
b	Amount of expenditure incurred.	3.207(\$)	29.47
c	Shortfall at the end of the year	18.30	16.99
d	Total of previous years shortfall	15.56	30.68
e	Reason for shortfall	During the year 2022-23, the company has approved CSR assistance of ₹ 26.68 crore for 19 proposals in various states, however no expenditure could be incurred in these proposals as most of the proposals were approved in the last quarter of financial year and concerned agencies are in process of completion of documentation formalities and preparatory works for execution of works e.g finalization of tender etc. and accordingly the amount has been transferred to 'Unspent CSR Account" in accordance with Companies Act CSR Amendment Rules 2021 and balance unspent amount of ₹ 18.30 crore shall be contributed in to one of funds identified under schedule VII before 30.09.2023	
f	Nature of CSR activities	Sanitation, Solid Waste Management, School Education, Health Care, Drinking Water and Rural Development Projects etc.	
g	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR activities as per relevant accounting standard.	Nil	
h	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	

(\$) - for the ongoing scheme sanctioned prior to 31.03.2021

46) Additional information

- I. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made there under, as at March 31, 2023 and March 31, 2022.
- II. The Company is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended March 31, 2023 and March 31, 2022.
- III. There was no delay in the registration or satisfaction of any charges with Registrar of Companies during the year ended March 31, 2023 and March 31, 2022.
- IV. The company does not have any investment in any subsidiary company. Therefore, there is no requirement to comply with the number of layers prescribed under clause (87) of Section 2 of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- V. The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2023 and March 31, 2022
- VI. There are no undisclosed incomes that has been surrendered or disclosed as income during the year in the tax-assessments under the Income Tax Act, 1961.
- VII. Analytical Ratios
 - a. Capital to Risk-weighted Assets Ratio: -Refer Note no. 40(a)
 - b. Liquidity Coverage Ratio: -Refer Note no.42

47) (a) Figures of the previous period have been regrouped/ rearranged/ re-casted wherever considered necessary to make them comparable with figures for current year.

(b) Figures in rupees have been rounded off to crore without decimals except where specifically indicated.

For and on behalf of the Board

Harish K. Sharma
Company Secretary
ACS 6557

D Guhan
Director Finance & Chief
Financial Officer
DIN 06757569

M. Nagaraj
Director Corporate Planning
DIN 05184848

Kuldip Narayan
Chairman & Managing Director
DIN 03276525

As per our separate report of even date attached

For A P R A & Associates LLP
Chartered Accountants
(FRN- 011078N/N500064)

Place of signature: New Delhi
Date : 26th May, 2023

Arun Kumar Gupta
Partner (M. No.- 089657)

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	NOT APPLICABLE
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Part “B”: Associates and Joint Ventures

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

	Name of associates/Joint Ventures	Shristi Urban Infrastructure Development Ltd #	Signa Infrastructure India Ltd.	Pragati Social Infrastructure Development Ltd. *	Ind Bank Housing Ltd
1.	Latest audited Balance Sheet Date	31 st March, 2022	31 st March, 2022	Not Available	31 st March, 2023
2.	Date on which the Associate or Joint Venture was associated or acquired	20 th June, 2005	18 th August, 2006	6 th April, 2005	28 th January, 1991
3.	Shares of Associate/Joint Ventures held by the company on the year end				
	- Number of Shares	20,00,000	13,000	1,30,000	25,00,000
	- Amount of Investment in Associates/Joint Venture (₹)	2,00,00,000	1,30,000	13,00,000	2,50,00,000
	- Extent of Holding %	40	26	26	25
4.	Description of how there is significant influence	Agreement	Agreement	Agreement	Associate
5.	Reason why the associate/joint venture is not consolidated	Not Applicable	HUDCO has decided to exit from said entity and provided for full diminution in the value of investment. Further Accounts of FY 2022-23 not made available	HUDCO has decided to exit from said entity and provided for full diminution in the value of investment. Further Accounts of FY 2022-23 not made available	HUDCO has provided for full diminution in the value of investment.
6.	Net worth attributable to shareholding as per latest un-audited Balance Sheet (as on 31.03.2023) (₹ in crore)	0.32	Not Applicable	Not Applicable	Not Applicable
7.	Profit/Loss for the Year ended 31.03.2023				
	i. Considered in Consolidation (₹ in crore)	(0.19)	Not Applicable	Not Applicable	Not Applicable
	ii. Not Considered in Consolidation (₹ in crore)		Not Applicable	Not Applicable	Not Applicable

#Unaudited accounts of 2022-23 are available

* Case filed before National Company Law tribunal, Kolkata on 28.2.2013 against M/s. Pragati Social Infrastructure & Development Ltd. under Section 241 (Application to Tribunal for relief in case of oppression, etc) of Companies Act, 2013, further the company has not provided unaudited / audited accounts for the year 2022-2023 or any of the previous years and the same are also not available at MCA site.

For and on behalf of the Board

Harish K. Sharma
Company Secretary
ACS 6557

D Guhan
Director Finance & Chief
Financial Officer
DIN 06757569

M. Nagaraj
Director Corporate Planning
DIN 05184848

Kuldip Narayan
Chairman & Managing Director
DIN 03276525

As per our separate report of even date attached

For A P R A & Associates LLP
Chartered Accountants
(FRN- 011078N/N500064)

Place of signature: New Delhi
Date : 26th May, 2023

Arun Kumar Gupta
Partner (M. No.- 089657)

YEARWISE DETAILS OF HUDCO'S OPERATIONS

YEAR	NO.OF SCHEMES	GROSS LOAN SANCTIONED	AMOUNT RELEASED	DWELLING UNITS	PLOTS
		(.....Amt.in crore.....)			
1971-72	19	34.86	5.51	22095	10883
1972-73	46	36.06	7.44	21269	3297
1973-74	53	30.63	13.15	19017	4390
1974-75	67	37.52	22.63	25165	1450
1975-76	163	54.47	35.84	36345	798
1976-77	242	72.70	40.08	53714	16738
1977-78	179	88.05	48.78	140141	5539
1978-79	227	107.98	65.86	99463	9475
1979-80	227	139.20	77.04	202841	6317
1980-81	346	161.68	89.97	268363	6107
1981-82	392	193.62	105.24	276948	14342
1982-83	516	221.33	131.78	284879	11890
1983-84	617	283.93	149.11	316349	7344
1984-85	677	352.88	199.82	318837	16601
1985-86	697	387.42	222.51	339832	15210
1986-87	581	392.02	270.15	306716	9182
1987-88	650	496.73	324.60	300938	18285
1988-89	755	651.28	438.05	380547	82701
1989-90	844	906.84	541.60	665485	32870
1990-91	1164	1385.89	735.00	832803	20211
1991-92	956	1348.09	834.00	669905	29844
1992-93	831	1110.42	858.91	399179	20821
1993-94	971	1368.45	1003.58	416274	24111
1994-95	1094	1763.24	1121.50	372803	12945
1995-96	912	1966.91	1241.80	393692	18258
1996-97	973	2470.59	1575.90	423248	43623
1997-98	795	3061.86	2263.20	553156	22457
1998-99	1146	6666.67	3200.71	1860357	23669
1999-00	659	8899.89	4372.74	1635844	22117
2000-01	360	7912.73	4829.32	3097651	8871
2001-02	341	8140.53	4661.78	736519	12477
2002-03	316	15627.21	8179.68	873047	35471
2003-04	364	13415.31	6136.27	969883	5842
2004-05	317	13861.62	5920.88	1119742	15758

YEAR	NO.OF SCHEMES	GROSS LOAN SANCTIONED	AMOUNT RELEASED	DWELLING UNITS	PLOTS
		(.....Amt.in crore.....)			
2005-06	224	10099.19	3766.52	192197	2181
2006-07	287	12162.55	3452.41	140970	5573
2007-08	306	13500.61	3754.02	98868	4185
2008-09	192	14754.30	4020.07	114009	1477
2009-10	147	16623.76	3098.07	297907	1191
2010-11	134	19761.68	5104.28	295732	2643
2011-12	130	20511.40	6905.74	422524	181853
2012-13	140	23974.06	6079.10	439286	57247
2013-14	134	17490.94	7437.50	1434102	243
2014-15	162	21095.54	8101.29	484128	128
2015-16	202	30774.44	8249.96	457879	701
2016-17	178	31861.97	9145.00	271498	0
2017-18	116	386848.03	16564.83	1548602	0
2018-19	77	34451.54	31008.59	2068151	0
2019-20	50	19942.03	10121.83	307277	0
2020-21	43	9201.78	8323.37	12488	10
2021-22	44	20663.19	8886.53	88523	1
2022-23	41	24571.98	8465.92	349308	1

CUMULATIVE STATEWISE PERFORMANCE AS ON 31st MARCH, 2023

State/ UT's	Proj.	Proj.	Cities	Borr	Proj. Cost	Loan Sanc	Loan Rel.	Dwelling Units		Plots	Sanitation	No of
	Sanc.	Cmpl.	Covrd	Covrd	(-----Amt. In Crore-----)			Upgd	New		Units	Oth. Unts
ANDHRA PRADESH	1354	1332	132	91	50299.7	20190.72	18387.17	98426	2393320	3343	1359064	2066
ARUNACHAL PRADESH	10	8	5	7	40.25	26.38	14.14	0	1822	0	75	78
ASSAM	189	186	43	82	1098.47	602.88	506.23	15536	40713	1802	83578	533
BIHAR	210	200	31	86	19674.05	7024.51	2439.72	23032	80162	5740	4293	3716
CHHATTISGARH	266	261	36	59	37318.8	4339.44	2569.33	314	408373	18572	59929	10563
DELHI	77	70	6	45	62188.64	21634.83	21442.73	0	1694920	0	0	6
GOA	38	35	12	10	564.28	311.75	285.14	5983	1410	1526	45500	167
GUJARAT	1253	1241	125	147	78551.48	7559.39	6861.93	55868	538349	8196	6169	5280
HARYANA	379	350	69	37	7023.89	3413.59	2611.74	17437	107428	4987	164035	154
HIMACHAL PRADESH	185	176	31	24	2371.96	1223.33	1200.22	948	73647	2022	0	0
JAMMU & KASHMIR	116	87	23	19	4407.26	547.49	546.33	11123	12828	11330	17203	1454
JHARKHAND	131	34	16	52	10261.91	3892.24	3441.49	10346	360721	2000	869	2362
KARNATAKA	1431	1338	149	175	41150.82	13893.08	13826.36	287596	2685645	38872	188780	3415
KERALA	1115	1096	71	98	21821.23	12838.35	9414.4	99286	1327254	651	40640	469
MADHYA PRADESH	1316	1287	147	391	21607.29	10409.87	8421.19	9436	189971	141286	412915	9031
MAHARASHTRA	1236	1157	116	129	133214.43	29546.06	13004.17	52566	450546	18355	264855	2161
MANIPUR	45	34	3	8	2078.1	1325.07	634.39	385	14779	0	12300	113
MEGHALAYA	36	34	5	13	1583.86	881.99	817.97	291	15104	1	4689	4
MIZORAM	40	40	7	8	237.77	148.26	148.26	5150	7890	148	0	1
NAGALAND	541	439	27	72	2192.28	1649.4	1437.71	78	22571	333	49	938
ORISSA	453	449	87	85	3801.88	1566.59	1558.81	15283	261651	7147	76412	1584
PUNJAB	541	525	112	44	8630.37	4610.25	3285.37	14864	103170	7169	222233	72
RAJASTHAN	1217	906	147	253	40913.64	19990.92	17522.97	0	942989	70493	417392	1190
SIKKIM	42	40	10	3	4251.63	1188.05	1152.5	3854	12050	0	0	1
TAMIL NADU	2259	2250	213	101	42958.06	16733.28	15306.57	324776	1195510	161749	169767	4471
TELANGANA	865	846	101	77	43234.5	24909.17	24839.76	45817	959733	2344	1017869	587
TRIPURA	39	36	8	19	1033.68	198.11	152.78	1909	5661	1	18788	129
UTTAR PRADESH	1306	1268	80	92	78636.35	20061.59	19679.88	31991	1296662	65876	1587378	5199
UTTARAKHAND	114	103	22	32	2854.55	1146.17	777.79	3506	54668	560	35527	59
WEST BENGAL	338	331	63	101	8801.11	3511.74	3174.55	3020900	194338	5346	446951	1358
A & N ISLANDS	17	17	1	3	26.06	13.29	10.91	500	534	0	0	5
CHANDIGARH	77	76	1	5	2066.21	172.01	171.16	0	28036	8045	10	484
DADRA NAGAR HAVELI	2	2	1	2	0.35	0.26	0	45	42	0	0	0
PUDUCHERRY	97	53	11	7	2171.05	995.35	968.88	0	8455	0	40	51
TOTAL SANCTIONS	17335	16307	1911	2377	737065.91	236555.41	196612.55	4157246	15490952	587894	6657310	57701

INCLUDING HUDCO NIWAS :->

LOAN AMOUNT : ₹ 243426.13 (in cr.)

RELEASE AMOUNT : ₹ 201791.02 (in cr.)

DWELLING UNITS : 20034786

CATEGORY WISE HOUSING DETAILS AS ON 31st MARCH, 2023

CATEGORY	CUMULATIVE		CURRENT YEAR	
	Loan Sancd. (in cr.)	Dwell Units	Loan Sancd.	Dwell Units
EWS (R)	23866.82	11231268	777.23	22772
EWS (U)	38917.05	6052358	2607.77	326333
LIG (U)	2813.18	1316006	0.00	0
LIG (R)	3548.49	127720	0.00	0
MIG	4834.73	585798	27.59	150
HIG/ OT HERS	7874.54	335048	0.00	0
A - TOTAL	81854.81	19648198	3412.59	349255
B - HUDCO NIWAS	6870.72	386588	12.37	53
TOTAL (A+B)	88725.53	20034786	3424.96	349308

SECTORWISE URBAN INFRASTRUCTURE PROJECTS SANCTIONED

Category	CUMULATIVE			CURRENT YEAR		
	No. of Projects	Project Cost (in cr.)	Loan Sancd. (in cr.)	No. of Projects	Project Cost (in cr.)	Loan Sancd. (in cr.)
Housing Related Infra(Full)						
Water Supply	552	99560.25	33160.11	1	851.86	750.00
Sewerage	72	5777.57	2685.5	0	0.00	0.00
Drainage	26	4009.45	2420.75	0	0.00	0.00
Solid Waste MGT	21	634.55	265.22	0	0.00	0.00
Basic Sanit (UI)	2	133.27	74.22	0	0.00	0.00
UI Smart City	3	3751.01	820	2	790.41	220.00
Total	676	113866.1	39425.8	3	1642.27	970.00
Hsg Related Inf(Partial)#						
Area Development.	114	2547.92	1607.99	0	0.00	0.00
Social Infrastructure	611	24102.05	16966.40	10	5787.95	4525.31
Roads & Bridges	478	146337.27	45182.40	8	12500.60	10184.60
Total	1203	172987.24	63756.79	18	18288.55	14709.91
Other Infrastructure						
Transport Nagar	66	21434.15	5350.12	1	203.54	162.00
Airport	9	2853.14	1547.23	0	0.00	0.00
Port Trust	10	5815.25	814.45	0	0.00	0.00
Railways	5	14435.30	2579.82	0	0.00	0.00
Commercial	220	9797.56	3319.01	5	63.89	46.42
SPL.Eco. Zone	3	2762.73	613.35	0	0.00	0.00
Indus. Infra.	25	96004.48	4340.5	0	0.00	0.00
IT Parks	22	2026.26	649.36	0	0.00	0.00
Power	96	103901.97	22424.75	8	2634.12	1717.86
Operational	5	13.54	13.28	0	0.00	0.00
Miscellaneous	40	6258.31	3893.60	1	5305.73	3500.00
Total	501	265302.69	45545.47	15	8207.28	5426.28
UI Total	2380	552156.04	148728.04	36	28138.10	21106.19
Other-Housing **	14955		5972.56	05		40.83
Grand Total	17335		243426.13	41		24571.98

** OTHERS : Includes Land Aquisition, ILCS, Bldg. Material, Commercial and Basic Sanitation.

Partial : Includes Highways, Land acquisition for projects such as power, exclusive industrial development, SEZs.

Full :- Includes all the Schemes under eligible Components of Housing related Infrastructure.

SENIOR MANAGEMENT



Mr. Arun Kumar Chaturvedi, IRSE
CVO



Mr. Harish Kumar Sharma
Company Secretary



Mr. Shailesh Prakash Tripathi
ED(IT/ISO/APA)



Dr. Alok Kumar Joshi
EDP(Opr./CSR/OL)



Mr. NS Ganesh
EDF (CRO)



Mr. LVS Sudhakar Babu
EDF (RM)/RC (DRO)



Ms. Reva Sethi
EDF (GA)



Mr. Koshy Varghese
EDF (LAC/DMDR)



Ms. Anju Thakur
EDF (IA)



Mr. HM Bhatnagar
ED (Law)



Mr. SK Solanki
ED (CHRO/JMRO)



Ms. Vandana Motsara
ED (HR)



Dr. Manika Negi
ED (C&C) i/c



Dr. Sukanya Ghosh
GM (Proj.)-HSMI



Ms. Radha Roy
GM (P/PR)



Mr. Surendra Kumar
GM (Proj.)-PCEM



Ms. D Shefali Sudhakar
GM (FOP)



Mr. Ratna Prakash
GMF (RF/SP)



Mr. Ram Prasad Naik
GM (Admn)

Note:- During the period, Shri HT Suresh, Shri VK Joshi, Shri DS Sudhakar, Shri JP Nahar and Ms. Upinder Kaur ceased to be member of the Senior Management, consequent upon their superannuation.

HUDCO OFFICES

Housing and urban Development Corporation Limited

Hudco Bhawan, Core 7-A, India Habitat Centre, Lodhi Road, New Delhi - 110 003
Tel.: 24649610-23, 24627113-15
After office hours: (011) 24648193-95
Voice Mail Service: (011) 24648160, 63, 64
Fax: (011) 24625308
Website: www.hudco.org

Training & Research Wing Human Settlement Management Institute

HUDCO House, Lodhi Road,
New Delhi – 110 003.
Tel.: (011) 24308600-01 , 243670834
Fax: (011) 24365292
Email: hsmi@hudco.org

HSMI Hostel

212, Asiad Village,
Khel Gaon Marg,
New Delhi-110 049
Tel.: (011) 41408297, 41608297,
41708297 , 41808297
Fax: (011) 26493726

REGIONAL OFFICES

AHMEDABAD

HUDCO Bhawan, 2nd Floor
Ishwar Bhuvan Road, Navrangpura
Ahmedabad- 380 009
Tel: 079-26582787, 26583488
Fax: 079-26580804
Email: aro@hudco.org

BENGALURU

Manipal Centre, North Block,
7th Floor, Unit 703 & 704, No.47,
Manipal Centre, Dickenson Road
Bengaluru- 560042
Tel: 080-25582602, 080-25587010
Email: bro@hudco.org

BHOPAL

3rd Block , Ground Floor
Paryavas Bhawan ,
Old Jail Road,
Bhopal - 462 011
Tel: 0755-2763542, 2763628 , 4271944
Email: bhro@hudco.org

BHUBANESWAR

3rd Floor, Deendayal Bhawan,
Ashok Nagar, Janpath
Bhubaneswar - 751 009 (Odisha)
Tel: 0674-2536287, 2531749
0674-2534906
Email: bbro@hudco.org

CHANDIGARH

BSNL Building, Plot No. 2, Sanchar Sadan
1st Floor, Sector 34-A,
Chandigarh - 160 022
Tel: 0172-2648952, 2648956
Fax: 0172-2648955
Email: chro@hudco.org

CHENNAI

5th Floor, Thalamuthu Natarajan Building
No. 1, Gandhi Irwin Road,
Egmore, Chennai - 600 008
Tel: 044-28412711, 28413283, 28413285
Fax: 044-28589746
Email: cro@hudco.org

DEHRADUN

74/1, Garwal Mandal Vikas
Nigam Building, 2nd Floor, Rajpur Road
Dehradun - 248 001 (Uttarakhand)
Tel: 0135- 2972979, 3510731
Fax: 0135-2748405
Email: dro@hudco.org, rcd@hudco.org

DELHI (NCR)

HUDCO House, 5th Floor,
Lodhi Road New Delhi - 110003
Tel: 011-24308670
Email: roncr@hudco.org,
lvsbabu@hudco.org

DIMAPUR

House No. 221, United Colony
Near Govt. Higher Secondary School Gate,
Half Nagarjan
Dimapur-797 112 (Nagaland)
Telfax: 03862-2224323
Mob. No. 9435011332
Email : dimapurro@hudco.org

GUWAHATI

Housefed office Complex, Office Building
2nd Floor, Rukminigaon,
G.S. Road Distt. Kamrup (Metro)
Guwahati-781 022
Tel: 0361-2339148, 2339018
Email: gro@hudco.org, rc-gro@hudco.org

HYDERABAD

5-10-193, 1st Floor HACA Bhavan,
Opposite Public Gardens
Hyderabad -500004
Tel: 040-23210804, 23232572,
23235763 23231297(RC)
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Vidhyut Marg, Jyoti Nagar,
Jaipur - 302 005
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: rc-jro@hudco.org

JAMMU

HUDCO Bhawan, OB-08,
Rail Head Complex, Jammu-180012
Tel: 0191-2474355, 2474356
Fax: 0191-2473640
Email : jmro@hudco.org

KOLKATA

HUDCO Bhawan, Plot No.11,
DJ Block, Sector – II, Karunamoyee,
Salt Lake City
Kolkata-700 091
Tel: 033-23580780, 23586141, 23587734
Email: kro@hudco.org

LUCKNOW

B-1, North East Block, 2nd Floor,
PICUP Bhawan, Vibhuti Khand,
Gomti Nagar Lucknow-226 010
Tel: 0522-2720834, 2720804
Fax: 0522-2720841
Email: lro@hudco.org

REGIONAL OFFICES

MUMBAI

Shreyas Chambers, 2nd Floor,
175, Dr. D N Road,
Fort, Mumbai - 400 001
Tel: 022-31599301
022-40154995, 40128520
Email: hudcomro@hudco.org

PATNA

Block-B2, 2nd Floor, Mauryalok Complex,
Dak Bunglow Road, Patna - 800 001
Tel: 0612-2234994, 2204432
Email: pro@hudco.org

RAIPUR

1-B, Surya Apartment, Near Netaji Chowk,
Katora Talab, Raipur - 492 001
Tel: 0771-4001908, 2425517, 2427796
Telefax : 0771-2425517
Email: raipurro@hudco.org

RANCHI

MAPLE Plaza, Block E & F,
6th Floor, Opposite Ashok Nagar,
Gate No.2, Kadru-Argora Road,
Ranchi-834002
Tel: 0651-2240523, 2241526, 2241238
Fax: 0651-2241236
Email: ranchi@hudco.org

THIRUVANANTHAPURAM

3rd Floor, "SAPHALYAM",
Complex Palayam,
Thiruvananthapuram-695 034
Tel: 0471-2964632, 2339743, 2339744,
2339746, 2339747
Fax: 0471-2329006
Email: tro@hudco.org

VIJAYAWADA

36-14-1, II Floor, Veeramachaneni Complex,
Jammichettu Centre, Mogalrajpuram,
Vijayawada – 520 010
Tel: 0866-2493306, 2493307
Email: vro@hudco.org

DEVELOPMENT OFFICES

Agartala

3/1, Officers Quarters Lane,
Krishna Nagar,
Agartala-799001(Tripura)
Mobile No :- 6901267756

Aizwal

Lalnghinglova Building, 2nd Floor
Chaltlang Road H.No.C-15, Chanmari,
Aizwal-796007, Mizoram.
Email: doaizhudco@gmail.com
danielmc@gmail.com

Gangtok

2nd Floor, Gangtok Municipal Corporation,
Deorali,
Gangtok-737102.
Email: hudcosdo@gmail.com

Goa

EDC House C-Block, Mezzanine Floor,
Dr. Dada Vaidya Road, Panaji.
Goa-403001
Telfax: 0832-2420790
Email: hudco.gdo@gmail.com

Imphal

PDA Office Building, North AOC,
Imphal-795 001 (Manipur)
Mobile No. 9436022712
Email: hudcoimphal@yahoo.com

Itanagar

Second Floor, Tadar Trade Centre,
Bank Tin-ali,
Itanagar -791111 (Arunachal Pradesh)
Mobile No- 9435118043, 9101195957

Kokrajhar

Boro Bhatarmari,
Near IOC Petrol Pump,
Cinema Hall,
Kokrajhar - 783370
Mobile No - 6901267754

Puducherry

No.11,12,13, LIC Building,
Ground Floor, Kamaraj Salai, New Saram,
Puducherry - 605013
Phone No- 0413-2962214
Telefax- 0413- 2244216
Email: pdo@hudco.org

Port Blair

Post Bag No.5,
Aberdeen Bazaar,
Port Blair-744101
Telefax:- 0319-231544
Email: pbdo@hudco.org
hudcobdo@gmail.com

Shillong

1st Floor, Laitumkhrah, Main Road,
(Behind Bata Shoes),
Shillong – 793003
Meghalaya.
Mobile Number- 6901267752

Shimla

No. 4 Shakuntala Niwas,
Chhota Shimla,
Opp. Himachal Pradesh Secretariat,
Shimla - 171002 (Himachal Pradesh)
Telfax: 0177-2628449
Email : balvinderkumar@hudco.org.in

DETAILS OF STATUTORY AUDITOR AND BANKERS

Statutory Auditors

Shri Arun Gupta, Statutory Auditors
 M/s APRA & Associates LLP, Chartered Accountants
 379, Aggarwal Millennium Tower-II
 Netaji Subhash Place, Pitampura, New Delhi-110034

BANKERS NAME AS ON 31.03.2023

Sl.No. List of Banks & Address

- | | |
|---|---|
| <p>1. Canara Bank
74, Janpath,
New Delhi – 110001</p> | <p>8. Axis Bank Limited
Statesman House,
Barakhamba Road,
New Delhi-110001</p> |
| <p>2. IDBI Bank
1/6 Siri Fort, Institutional Area,
Khel Gaon Marg,
New Delhi – 110049</p> | <p>9. Punjab National Bank
ELCB, Harsha Bhawan,
New Delhi – 110001</p> |
| <p>3. Union Bank of India
Moti Bagh Branch, Palika Bhawan, Opp.
Hyatt Regency, Sector-13, R.K. Puram, New
Delhi-110066</p> | <p>10. Indusind Bank
Hyatt Regency Delhi,
Bhikaiji Cama Place,
Ring Road,
New Delhi – 110066</p> |
| <p>4. ICICI Bank
9A, Phelps Building, Inner Circle,
Connaught Place,
New Delhi – 110001</p> | <p>12. Kotak Mahindra Bank
G- F 3A-3J Ground Floor, Ambadeep,
14 kasturba Gandhi Marg,
New Delhi</p> |
| <p>5. Reserve Bank of India
6, Sansad Marg, Parliamentary Street,
New Delhi – 110001</p> | <p>13. HDFC Bank
209-214, Kailash Building,
26, Kasturba Gandhi Marg,
New Delhi – 110001</p> |
| <p>6. Bank of Baroda
(Formely Vijaya Bank) D-65, Hauz Khas,
New Delhi – 110016</p> | <p>14. Union Bank of India
(Earlier Corporation Bank) M-3&4,
Shopping Centre, Greater Kailash-II,
New Delhi – 110048</p> |
| <p>7. State Bank of India
(Former SBH) India Habitat Centre, Lodi Road,
New Delhi – 110003</p> | |



Kochi Metro Project, Kerala



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

HUDCO Bhawan, India Habitat Centre, Lodhi Road, New Delhi-110 003

Tel.: 011-24649610-23, 24648420, Fax: 011-24625308

Website: www.hudco.org.in, Email: cswhudco@hudco.org

CIN: L74899DL1970GOI005276

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