

GICHFL/SEC/2018/

9th August, 2018

The Listing Department,
The Bombay Stock Exchange Limited,
P.J. Towers,
Dalal Street,
Fort,
Mumbai – 400 001

Scrip Code: 511676

Dear Sir,

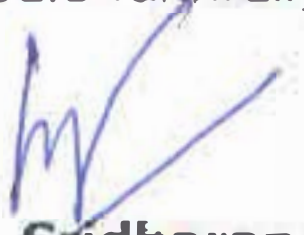
Sub.: Submission of Annual Report 2017-18.

We hereby submit the Annual Report of our Company for F.Y. 2017-18 under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our AGM was held on 2nd August, 2018.

This is for your information and record purpose.

Thanking you,

Yours faithfully,



S. Sridharan
Sr. Vice President & Company Secretary.

Encl.:a/a



GIC HOUSING FINANCE LTD.

YOUR ROAD TO A DREAM HOME



ANNUAL REPORT 2017-18



27th Annual General Meeting



Training Programme

CORPORATE INFORMATION

BOARD OF DIRECTORS

- | | |
|-----------------------------|-------------------------|
| 1) Smt. Alice G. Vaidyan | Chairperson |
| 2) Shri G. Srinivasan | Director |
| 3) Shri A. V. Girija Kumar | Director |
| 4) Shri V. Ramasamy | Director |
| 5) Shri Kamlesh S. Vikamsey | Director |
| 6) Smt. Mona Bhide | Director |
| 7) Shri B. Chakrabarti | Director |
| 8) Shri A. V. Muralidharan | Director |
| 9) Shri M. K. Garg | Director |
| 10) Shri NSR Chandra Prasad | Director |
| 11) Shri S. Gopakumar | Managing Director & CEO |

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

AUDITORS

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

SECRETARIAL AUDITORS

Shri Makarand Joshi
M/s. Makarand M. Joshi & Co.
Practicing Company Secretaries

PRINCIPAL BANKERS

Allahabad Bank, Axis Bank Limited, Bank of Baroda, Bank of India, Catholic Syrian Bank, Corporation Bank, The Federal Bank Ltd, HDFC Bank Limited, The Hongkong and Shanghai Banking corporation Ltd, ICICI Bank Ltd, The Jammu & Kashmir Bank Ltd, Karnataka Bank Ltd, Kotak Mahindra Bank Ltd, Kotak Mahindra Old Mutual Life Insurance Limited, SBI life Insurance Company Ltd. State Bank of India, Union Bank of India, United Bank of India, Vijaya Bank.

REGISTERED OFFICE

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

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai- 400001. Tel. No. 022-40807000

REGISTRARS AND SHARE TRANSFER AGENTS

M/s Karvy Computershare Private Limited

Corporate Office:

Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad, Telangana - 500 032.
Tel No. +91 40 67162222, Fax No. +91 40 23420814
Email: einward.ris@karvy.com

Mumbai Front Office:

24-b, Raja Bahadur Mansion,
Ground Floor, Ambalal Doshi Marg,
Behind BSE, Fort, Mumbai - 400 023.
Tel No. +91 226623 5454/412/427

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28th ANNUAL GENERAL MEETING

Date	: Thursday, 02 nd August, 2018
Time	: 3.30 p.m.
Venue	: Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 th Floor, General Jagannath Bhosale Marg, Mumbai - 400 021


BOARD COMMITTEES
AUDIT COMMITTEE

- 1) Shri V. Ramasamy - Chairman
- 2) Shri Kamlesh S. Vikamsey
- 3) Shri Y. Ramulu (upto 31st May, 2018)
- 4) Shri A. V. Muralidharan

STAKEHOLDERS RELATIONSHIP COMMITTEE

- 1) Shri V. Ramasamy - Chairman
- 2) Smt. Mona Bhide
- 3) Shri Y. Ramulu (upto 31st May, 2018)
- 4) Shri M. K. Garg

NOMINATION AND REMUNERATION COMMITTEE

- 1) Smt. Mona Bhide - Chairperson
- 2) Shri V. Ramasamy
- 3) Shri Y. Ramulu (upto 31st May, 2018)

ASSET LIABILITY & RISK MANAGEMENT COMMITTEE

- 1) Shri V. Ramasamy - Chairman
- 2) Shri Y. Ramulu (upto 31st May, 2018)
- 3) Shri S. Gopakumar

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- 1) Shri K. Sanath Kumar - Chairman (upto 30th April, 2018)
- 2) Smt. Mona Bhide
- 3) Shri S. Gopakumar
- 4) Shri B. Chakrabarti

MANAGEMENT

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

BUSINESS HEAD

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



Smt. Alice G. Vaidyan
Chairperson



Shri G. Srinivasan
Director



Shri A. V. Girija kumar
Director



Shri V. Ramasamy
Director



Shri Kamlesh S. Vikamsey
Director



Smt. Mona Bhide
Director



Shri B. Chakrabarti
Director



Shri M. K. Garg
Director



Shri A. V. Muralidharan
Director



Shri NSR Chandra Prasad
Director



Shri S. Gopakumar
Managing Director & CEO



(CIN: L65922MH1989PLC054583)

Reg. Off.: National Insurance Building, 6th Floor, 14, Jamshedji Tata Road, Churchgate, Mumbai 400020, India

Tel No. +91 22 2285 1765/1766/2285 3866 /Email: corporate@gichf.com/investors@gichf.com/

Website: www.gichfindia.com

NOTICE 28th ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of **GIC HOUSING FINANCE LTD.** will be held on **Thursday, 02nd August, 2018** at 3.30 p.m at Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4th Floor, General Jagannath Bhosale Marg, Mumbai-400 021 to transact the following business(es):

ORDINARY BUSINESS:

Item No. 1: Adoption of Audited Annual Financial Statements for the year ended 31st March, 2018 together with the Reports of the Directors and Auditors thereon.

To receive, consider and adopt the audited Annual Financial Statements for the year ended 31st March, 2018 together with the Reports of the Directors and Auditors thereon.

Item No. 2: Declaration of Dividend for the year ended 31st March, 2018.

To declare dividend on Equity Shares for the financial year ended 31st March, 2018.

Item No. 3: Reappointment of Director, Shri K. Sanath Kumar (DIN 03444096) due to retire by rotation is not seeking re-election due to superannuation.

To re-appoint a Director in place of Shri K. Sanath Kumar (DIN 03444096) due to retire by rotation is not seeking re-election due to superannuation.

Item No. 4: Ratification of appointment of Statutory Auditors.

To ratify the appointment of M/s. CNK & ASSOCIATES LLP, Chartered Accountants, Mumbai, (Firm Registration No. 101961W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of 29th Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

Item No. 5: Appointment of Shri A. V. Girijakumar (DIN 02921377), Non-Executive Director.

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

“RESOLVED THAT Shri A. V. Girijakumar (DIN 02921377) who was appointed as Additional Director of the Company pursuant to Article 111 of Article of Association of the Company with effect from 18th August 2017, and who holds office up to 28th Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director of the Company, be and hereby appointed as a Non-Executive Director of the Company whose period of Office shall be liable to retire by rotation.”

Item No. 6: Appointment of Shri NSR Chandra Prasad (DIN 01386757), Independent Director.

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

“RESOLVED THAT Shri NSR Chandra Prasad (DIN 01386757) who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 26th October, 2017 and who holds office up to the forthcoming Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013, proposing his candidature for the Office of Director of the Company, be and is hereby appointed as an Independent Director of the Company up to the conclusion of 30th Annual General Meeting of the Company, not liable to retire by rotation.”

Item No. 7: Reappointment of Shri V. Ramasamy (DIN No. 00490988), Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and such other applicable

provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014, Shri V. Ramasamy (DIN No. 00490988), who is eligible for re-appointment for 2nd term and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a Member proposing his candidature for the Office of Director, be and is hereby re-appointed as an Independent Director of the Company upto the conclusion of 30th AGM, not liable to retire by rotation.”

Item No. 8: Reappointment of Shri Kamlesh S. Vikamsey (DIN No. 00059620), Independent Director.

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014, Shri Kamlesh S. Vikamsey (DIN No. 00059620), who is eligible for re-appointment for 2nd term and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a Member proposing his candidature for the Office of Director, be and is hereby re-appointed as an Independent Director of the Company upto the conclusion of 30th AGM, not liable to retire by rotation.”

Item No.9: Reappointment of Smt. Mona Bhide (DIN No. 05203026), Independent Director.

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014, Smt. Mona Bhide (DIN No. 05203026), who is eligible for re-appointment for 2nd term and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a Member proposing his candidature for the Office of Director, be and is hereby re-appointed as an Independent Director of the Company upto the conclusion of 30th AGM, not liable to retire by rotation.”

Item No. 10: Increase in the Borrowing Powers of the Company.

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

“**RESOLVED THAT** in supersession of the Resolution dated 24th July, 2017 passed by the Shareholders in the previous year Annual General Meeting, consent be and is hereby accorded to the Board of Directors of the Company including any Committee thereof for the time being, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 & other applicable provisions of the Companies Act, 2013 including any statutory modifications or re-enactments thereof and Article 66, 67 and 68 of the Articles of Association of the Company to borrow money either in rupees or in such other foreign currencies, as may be permitted by law from time to time, as and when required, from Commercial Banks, Co-operative Banks, Financial Institutions, Mutual Funds, Public Financial Institutions, National Housing Bank, Promoters, Foreign Financial Institutions, Provident Fund Trusts, Pension Funds or from any other person(s) or entities as Term Loans, through issue of Commercial Paper, Masala Bonds, External Commercial Borrowings, through issue of secured Redeemable Non-Convertible Debentures on Private Placement basis which together with monies already borrowed by the Company (apart from temporary loans obtained from the Bankers of the Company in the ordinary course of the business) shall not exceed in the aggregate at any one time beyond ₹ 15,000 crores (Rupees Fifteen Thousand Crores Only) irrespective of the fact such aggregate amount of borrowing outstanding at any one time may exceed the aggregate for the time being of the paid up capital of the Company, its free reserve (reserve not set apart for any specific purpose) and Securities Premium Account”.

Item No. 11: Creation of Charge on Movable and Immovable Properties.

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

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

Item No. 12: Private Placement of Redeemable Non-Convertible Debentures (NCDs)/Bonds.

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

“**RESOLVED THAT** pursuant to the provisions of Section 42 and Section 71 of the Companies Act, 2013 and other applicable provisions, if any, of Companies Act, 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, as may be amended from time to time, SEBI (Issue and Listing of Debt Securities) Regulations, 2008 including any amendment, modification, variation or re-enactment thereof, EQUITY Listing Regulation, the

Housing Finance Companies Issuance of Non-Convertible Debentures on a Private Placement basis (NHB) Directions, 2014 and subject to other applicable regulations/guidelines, consent of the Members of the Company, be and is hereby accorded for making offer(s) or invitation(s) to subscribe to Redeemable Non-Convertible Debenture (NCDs)/ Bonds of ₹ 1,000 Crores (Rupees One Thousand Crores only) in one or more series/tranches on a private placement basis on such terms and conditions as the Board may deem fit and appropriate for each series as the case may be during a period of 1 (One) year from the date of passing this Resolution which is within the overall limits of the Company as approved by Members from time to time.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized or authorize any person to do all acts, deeds and things necessary and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 13: Related Party Transactions upto an aggregate limit of ₹ 1,000 crores only.

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

“**RESOLVED THAT** approval of the Members of the Company be and is hereby accorded to enter into agreement(s) / transaction(s) with Related Parties (namely General Insurance Corporation of India, The New India Assurance Company Ltd., Oriental Insurance Company Ltd., United India Insurance Company Ltd. and National Insurance Company Ltd.), in the ordinary course of business at arm’s length basis for the purpose of raising funds through NCDs / Bonds, to take property/properties on lease / rent, to avail / render any services or any other kind of transactions which construe to be Related Party Transactions up to an aggregate limit of ₹ 1,000 crores till the conclusion of 29th AGM from the date of this Resolution including the transaction(s) already entered into with such party / parties.”

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

Place : Mumbai

Date :24.04.2018

Registered Office:

National Insurance Building,
6th Floor, 14, Jamshedji Tata Road,
Churchgate,
Mumbai-400020

For and on behalf of the Board of Directors

Sd/-

S. Sridharan

Sr. Vice President & Company Secretary

ROAD MAP FOR 28th AGM VENUE



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IS SENT WITH ANNUAL REPORT.
2. THE PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of item Nos. 5, 6, 7, 8, 9, 10, 11, 12 & 13 is given below and forms part of the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24th July, 2018 to Thursday, 2nd August, 2018 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of dividend for the year 2017-18.
5. The dividend as recommended by the Board, if declared at the meeting, will be paid to those Members:
 - a) Whose names appear as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/ Registrar and Transfer agent on or before 23rd July, 2018 (Monday), and
 - b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on 23rd July, 2018 furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) for this purpose.
6. The Securities and Exchange Board of India (SEBI) has made it mandatory for all Companies to use the bank account details furnished by the Depositories for depositing dividend. Dividend will be credited to the Members' Bank Account through NECS wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.
7. Members are requested to fill, sign and send the ECS mandate form, which forms part of this Annual Report, along with a photocopy of the cheque issued by the bank for verifying the accuracy of the MICR Code number to the Registrars and Share Transfer Agents viz. **M/s. Karvy Computershare Pvt. Ltd., Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032** (in case of Members holding shares in physical form) and to the respective Depository participants (in case of Members holding shares in dematerialised form).
8. Members attending the Annual General Meeting are requested to bring the following for admission to the meeting hall (as applicable).
 - a) Attendance Slip duly completed and signed as per the specimen signature lodged with the Company.
 - b) Members holding shares in dematerialized form, their DP and Client ID number(s).
 - c) Members holding shares in physical form, their folio number(s).
 - d) Copy of the Annual Report (2017-18).
9. The Company would accept only the Attendance Slip from a Member actually attending the Meeting; or from the person attending as a Proxy under a valid proxy form registered with the Company not less than 48 hours prior to the Meeting. Attendance Slip of Members not personally present at the meeting and Proxy Forms, which are invalid, will not be accepted.
10. Member Companies or Organisations are requested to send a copy of the resolution of their governing body authorising their representative to attend and vote at the Annual General Meeting.
11. Members holding shares in physical form are requested to notify immediately any change in their address along with address proof, i.e. Electric/ Telephone Bill, Driving License or a copy of the Passport and bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are in dematerialised form, this information should be passed on directly to their respective Depository Participants and not to the Company/ RTA.



12. In all correspondence with the Company, members are requested to quote their account/ folio numbers and in case their shares are held in the dematerialised form, they must quote their DP ID. and Client ID. No(s).
13. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to an individual Member. Members holding shares in physical form may utilise the nomination facility available by sending the prescribed Form No.SH-13 duly filled, to our Registrars and Share Transfer Agents viz. **Karvy Computershare Pvt. Ltd.**, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032. Members holding shares in dematerialised form has to send their “nomination” request to the respective Depository Participants.
14. Equity Shares of the Company are under compulsory Demat trading by all investors. Those Members, who have not dematerialised the shares, are advised to dematerialise their shareholding, to avoid inconvenience in future.
15. SEBI vide circular ref. no. MRD/DoP/Cir-05/2007 dated 27th April, 2007 made Permanent Account Number (PAN) mandatory for all securities market transaction. Thereafter, vide circular no. MRD/Dop/Cir-05/2009 dated 20th May, 2009 it was clarified that for securities market transactions and off market/ private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee(s) to furnish copy of PAN Card to the Company/ RTAs for registration of such transfer of shares.
SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:
 - a) Deletion of name of the deceased Member(s), where the shares are held in the name of two or more Member(s).
 - b) Transmission of shares to the legal heir(s), where deceased Member was the sole holder of shares.
 - c) Transposition of shares when there is a change in the order of names in which physical shares are held jointly in the names of two or more Members.
16. Investors/ Members are requested to kindly note that if physical documents viz. Demat Request Form (DRF) and Share Certificates etc... are not received from their DPs by the Registrar within a period of 15 days from the date of generation of the DRN for dematerialisation, the DRN will be treated as rejected/ cancelled. This step is being taken on the advice of Depository viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) so that no demat request remains pending beyond a period of 21 days. Upon rejection/ cancellation of the DRN, a fresh DRF with new DRN has to be forwarded along with the share certificates by the DPs to the Registrar. This note is only to advise investors/ Members that they should ensure that their DP's do not delay in sending the DRF and share certificates to the Registrar after generating the DRN.
17. Dividend for the financial year 2010-11 which remains unclaimed, will be due for transfer to the Investor Education and Protection Fund (IEPF) of the Central Government, pursuant to the provisions of Section 124 of the Companies Act, 2013 in the month of September, 2018. Members, who have not yet encashed their dividend for the financial year 2010-11, are requested to lodge their claims with the Company or **M/s. Karvy Computershare Pvt. Ltd. (RTA)** without delay. During the year 2017-18, the Company has deposited a sum of Rs. 12,65,103/- (Rupees Twelve Lacs Sixty Five Thousand One Hundred and Three only) to Investor Education and Protection Fund of the Central Government, on account of unclaimed/ unpaid dividend for the year 2009-10.
18. Those Members who have not encashed or received their dividend for the financial years 2010-11 to 2016-17 are requested to approach our Registrars and Share Transfer Agents viz. **M/s. Karvy Computershare Pvt. Ltd.**, Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad-500032.
19. The Members holding shares in more than one folio are requested to consolidate their folios by sending a request letter to the Company or to the Registrars and Transfer Agents of the Company. Consolidation of folios would facilitate one-stop tracking of all corporate benefits and would reduce time and effort required for monitoring multiple folios. Consolidation of share certificates also helps in saving costs in case of dematerialisation and also provides convenience in holding shares physically.
20. A brief profile of the Directors seeking appointment and/or re-appointment is furnished and forming part of the notice as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
21. The annual report of the Company circulated to the Members of the Company, will be made available on the Company's website at **www.gichfindia.com**

22. All Documents referred to the Notice are open for inspection at the Registered Office of the Company on all working days between 10.30 a.m. to 12.00 noon up to the date of the Annual General Meeting.
23. Company is sending physical copies of the Annual Report including Notice of the 28th Annual General Meeting of the Company inter alia **indicating the process and manner of e-voting** along with Attendance Slip and Proxy Form in the permitted mode to all the Members of the Company. Additionally, electronic copy of the Annual Report for the financial year 2017-18 is also being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes.
24. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting and ballot paper, the said resolutions will not be decided on a show of hands at the AGM.

25. Voting through Electronic Means :

- a) In compliance with the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rule 2014 as amended by the Companies (Management and Administration) Amendment Rules 2015, the Company is offering E-voting facility to all its Members to enable them to exercise their right to vote on all matters listed in this Notice of 28th AGM by electronic means and the business may be transacted through e-voting services. The members who do not have access to e-voting facility shall be given Ballot form also from the Company for casting votes. The facility of casting votes by the members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by Karvy Computershare Pvt. Ltd. (Karvy).
- b) The facility for voting through ballot paper only shall be made available at the AGM venue also and the members attending the meeting who have not cast their vote either by remote e-voting or by ballot form, shall be able to exercise their right at the meeting through ballot paper.
- c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- d) Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- e) A person who is not a member as on cut-off date, should treat this notice for information purpose only.

The instructions for e-voting are as under:

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

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

- (vi) On successful login, the system will prompt you to select the E-Voting Event Number for GIC Housing Finance Limited.
- (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option “ABSTAIN” and the shares held will not be counted under either head.
- (viii) Members holding shares under multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- (ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (x) You may then cast your vote by selecting an appropriate option and click on “Submit”.
- (xi) A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID: gichfl1234@gmail.com with a copy to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format “GIC Housing Finance Limited_3791.”

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

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

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

- g) In case of any query pertaining to e-voting, please visit Help & FAQ’s section available at Karvy’s website <https://evoting.karvy.com>.
- h) If the member is already registered with Karvy e-voting platform then he/she can use his/her existing User ID and password for casting the vote through remote e-voting.
- i) As the Voting would be through electronic means, the members who do not have access to e-voting, are given Physical Ballot form from the Company. You are required to fill in the ballot form and send it to the Scrutinizer in the enclosed self - addressed Prepaid Postage Business Envelope Reply.
- j) Postage Charges will be borne by the Company. However, in case a Member sends the Ballot Form by courier or registered post or delivers it in person at his expenses, such Ballot Form will also be accepted.
- k) Unsigned, incomplete or incorrectly ticked forms shall be rejected.
- l) The ballot must be received by the Scrutinizer on or before (Friday) 27th July, 2018 (5.00 pm). The Scrutinizers decision on the validity of the forms will be final. Members are required to vote only through the electronic system or through Ballot only and in no other form. In the event, a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.
- m) You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication(s).
- n) The remote e-voting period commences on Monday, 30th July, 2018 (at 9.00 a.m.) and ends on Wednesday, 1st August, 2018 (at 5.00 p.m.). During this period Members’ of the Company, holding shares either in physical

form or in dematerialized form may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

- o) The Voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut - off date of 23rd July, 2018 (Monday). A person whose name is recorded in the register of Members or in the register of beneficial owners maintained by the Depositories as on cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through Ballot Paper.
- p) Shri Makarand Joshi of M/s Makarand M. Joshi & Co. has been appointed as Scrutinizer to scrutinize the voting by ballot paper and remote e-voting process in a fair and transparent manner.
- q) The Scrutinizer shall after the conclusion of voting at the general meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Company and shall make not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall countersign the same and declare the result of the voting therewith.
- r) The Results declared along with Scrutinizer's Report shall be placed on the Website of the Company www.gichfindia.com after the declaration of result by the Chairperson or a person authorized by her in writing and also the same will be communicated to the NSE and BSE Limited.



ANNEXURE TO THE NOTICE

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

ITEM NO. 5:

Shri A. V. Girijakumar (DIN 02921377), MBA, All, is appointed as Chairman cum Managing Director of The Oriental Insurance Company Ltd. w.e.f. 31st May, 2017. Prior to this, he was Director & General Manager and also Officiating CMD of National Insurance Company Ltd. and United India Insurance Company Ltd.

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

The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Shri A. V. Girijakumar as Non-Executive Director whose Office shall be liable to retire by rotation.

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

The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

ITEM NO. 6:

Shri NSR Chandra Prasad (DIN 01386757), a Commerce Graduate and Fellow of Insurance Institute of India, is the ex CMD of National Insurance Company Ltd. He is a Direct Recruit Officer of 1978 batch (12 months training from June 1978 - June 1979 in GIC Re). After his induction training in GIC Re, he joined New India Assurance Company where he served various Departments in different capacities. Shri NSR Chandra Prasad was appointed as Managing Director & CEO of Prestige Assurance PLC, Lagos from June 2002 to March, 2006.

Shri NSR Chandra Prasad possess 36 years of rich experience of service in non-life insurance sector where he held number of key positions in Marketing operations, Technical, Reinsurance, Customer Redressal, Personnel & Training both in India and Overseas.

The Company has received a notice in writing from a Member as per section 160 of Companies Act, 2013 proposing the candidature of Shri NSR Chandra Prasad as an Independent Director, who shall hold office upto the conclusion of 30th Annual General Meeting. Your Independent Director meets all the criteria of Independence as provided in section 149(6) of Companies Act, 2013.

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

The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

ITEM NO. 7:

Shri V. Ramasamy (DIN No. 00490988) Chartered Accountant by Profession, joined United India Insurance Co. Ltd as a Direct Recruit Officer in the year 1975. During his tenure, he had worked in various capacities and in 2005, he was promoted to the cadre of Chairman cum Managing Director.

He joined National Insurance Co. Ltd as Chairman cum Managing Director from October 2005 to May 2009. After his retirement, he was appointed as Insurance Ombudsman Tamilnadu for Three Years from August 2009.

Shri V. Ramasamy was appointed as Additional Director (Independent Director) by the Board on 17th September, 2013 and his appointment as Independent Director was also approved by the shareholders in the 24th Annual General Meeting. The current term of Shri V. Ramasamy is upto 28th Annual General Meeting of the Company.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of Five years.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of the rich experience, continued valuable guidance to the Management, it is proposed to re-appoint him for second term as an Independent Director on the Board up to the conclusion of 30th AGM of the Company.

Your Director meets all the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Save and except Shri V. Ramasamy, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

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

ITEM NO. 8:

Shri Kamlesh S. Vikamsey (DIN 00059620), B. Com. from the University of Mumbai and Chartered Accountant, has 30 years of Experience in Accounting & Finance, Taxation and Corporate Advisory Services. He is Member of Independent Management Advisory Committee (IMAC) of International Telecommunication Union (ITU), Geneva, Switzerland, Appellate Authority constituted under Chartered Accountants Act, 1949, Income Computation & Disclosure Standards Committee of CBDT and National Advisory Board Manav Sadhan Sanstha.

He was elected as the President of ICAI during 2005-06 and also as Vice President of ICAI during 2004-05. He has been an elected Member of the Central Council of the ICAI from 1998 to 2007. Thereafter he has been the President of Confederation of Asian & Pacific Accountants (CAPA) during 2007-09 and was Deputy President of CAPA during 2005-07. He was a Board Member of the International Federation of Accountants from 2005-08. He has been associated with M/s Khimji Kunverji & Co. as a Senior Partner since 1982. He has served as a Member of various advisory and expert committees at National and International Levels, including as a Member of the Steering Committee for comprehensive review of Governance and Oversight within the United Nations.

Shri Kamlesh S. Vikamsey was appointed as Additional Director (Independent Director) by the Board on 17th September, 2013 and his appointment as Independent Director was also approved by the shareholders in the 24th Annual General Meeting. The current term of Shri Kamlesh S. Vikamsey is upto 28th Annual General Meeting of the Company.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of Five years.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of the rich experience, continued valuable guidance to the Management, it is proposed to re-appoint him for second term as an Independent Director on the Board up to the conclusion of 30th AGM of the Company.

Your Director meets all the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Save and except Shri Kamlesh S. Vikamsey, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in anyway concerned or interested in the Resolution.

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

ITEM NO. 9:

Smt. Mona Bhide (DIN 05203026), B. Com, LL.B. from University of Mumbai, LL.M. from Northwestern University, School of Law, Chicago is a Managing Partner of Dave & Girish & Co., a Law Firm focusing on International Finance and Corporate Laws. She is also Advisor to various Banks and Financial Institutions.

She is the Member of Bar Council of Maharashtra and Goa, Bombay Bar Association, International Swaps and Derivatives Association, International Bar Association, New York State Bar Association, Inter Pacific Bar Association and Asia Pacific Loan Market Association.

She had worked with American Bar Foundation in the field of Investment Banking, conflicts and globalization of the legal profession and also worked with International Law Firm, Sedwick, Deetert Moran and Arnold.

She is one of the highly recommended lawyers for Project Finance & Corporate, Mergers & Acquisitions transactions, restructuring and insolvency practitioner and corporate transactions practitioner in India in Global Counsel 3000.



She has been ranked as a Leading Individual in Banking & Finance, Corporate, Mergers & Acquisitions and Dispute Resolution by Legal 500 and as Leading Lawyer by Asia law Profiles.

Smt. Mona Bhide was appointed as Additional Director (Independent Director) by the Board on 17th September, 2013 and her appointment as Independent Director was also approved by the shareholders in the 24th Annual General Meeting. The current term of Smt. Mona Bhide is upto 28th Annual General Meeting of the Company.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of Five years.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of the rich experience, continued valuable guidance to the Management, it is proposed to re-appoint her for second term as an Independent Director on the Board up to the conclusion of 30th AGM of the Company.

Your Director meets all the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Save and except Smt. Mona Bhide, none of the Directors or Key Managerial Personnel of the Company including their relatives is, in any way concerned or interested in the Resolution.

The Board recommends the resolution set forth in Item No.9 for the approval of the Members.

ITEM NO. 10 & 11:

Vide Special resolution dated 24th July, 2017, passed by shareholders in the Annual General Meeting, the Members of the Company had accorded their consent to the Board of Directors to borrow any sum or sums of monies for the purposes of the Company not exceeding ₹ 12,500 crores (Rupees Twelve Thousand Five Hundred Crores Only) (apart from temporary loans obtained/ to be obtained from the Company's bankers in the ordinary course of business) in terms of Section 180(1)(c) of the Companies Act, 2013. Taking into account the business plans of the Company, the Board of Directors may need to resort to further borrowings from time to time and hence it is proposed to revise the said limit upwards to **₹ 15,000 Crores (Rupees Fifteen Thousand Crores Only)**. A fresh resolution is proposed authorising the Board of Directors to borrow any sum or sums of monies for the purposes of the company not exceeding **₹ 15,000 Crores (Rupees Fifteen Thousand Crores Only)** (apart from temporary loans obtained/ to be obtained from the Company's bankers in the ordinary course of business) under Section 180(1)(c) of the Companies Act, 2013.

These borrowings may also have to be secured by creation of mortgages, charges, liens, hypothecation and/ or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, in favour of banks/ financial institutions/ debenture trustees/ fixed deposits trustees/ other lenders. Since the amount secured by such mortgages, charges, liens, hypothecation and/ or other securities together with the existing mortgages, charges, liens, hypothecation and/ or other securities may exceed the limit of Rs.12,500 crores (Rupees Twelve Thousand Five Hundred Crores Only), Members' approval is sought for increasing the limit upto **Rs. 15,000 crore (Rupees Fifteen Thousand Crores Only)** and for authorising the Board of Directors to create security by way of mortgages, charges, liens, hypothecation and/or other securities of the Company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the Company's undertaking or undertakings, on such terms and conditions as it may deem fit. For this purpose, the requisite Special Resolution is being proposed for consideration of the Members under Section 180(1)(a) of the Companies Act, 2013.

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

The Board recommends the resolution set forth in Item No. 10 & 11 for the approval of the Members.

ITEM NO. 12

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

Accordingly, seeing the long term borrowing requirement of the Company and to augment resources at a cheaper rate of interest, approval is sought to mobilize some more funds by way of issue of Redeemable NCDs/Bonds on private placement basis. Hence we are seeking approval for issue of Redeemable Non Convertible Debentures (NCDs) / bonds on a Private Placement basis, for amount of ₹ 1,000 crores which is within the overall limits of the Company as approved by Members from time to time.”

Accordingly, the approval of Members is being sought by way of Special Resolution in compliance with the applicable provisions of the Act, read with Rules made there under, in the manner as set out in Item No. 12 of this Notice.

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

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

ITEM NO. 13:

Pursuant to provisions of the Companies Act, 2013 and in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the transactions in the nature of raising of funds through NCDs/ Bonds, taking property on lease/rent, availing of services in the ordinary course of business or any other kind of transactions entered into by the Company up to an aggregate limit of ₹ 1,000 Crores (Rupees One Thousand Crores Only) which though in the ordinary course of business may be construed to be related party transactions with the conflict of interest, it is therefore proposed to Shareholders to approve as an Ordinary Resolution.

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

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

Place : Mumbai

Date :24.04.2018

Registered Office:

National Insurance Building,
6th Floor, 14, Jamshedji Tata Road,
Churchgate,
Mumbai-400020

For and on behalf of the Board of Directors

Sd/-

S. Sridharan

Sr. Vice President & Company Secretary

**Information as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 in respect of Directors seeking re-appointment/ appointment at the 28th Annual General Meeting:****1. Shri A. V. Girijakumar, Chairman cum Managing Director of The Oriental Insurance Company Limited.**

Shri A. V. Girijakumar, MBA, All, is appointed as Chairman cum Managing Director of The Oriental Insurance Company Ltd. w.e.f. 31st May, 2017. Prior to this, he was Director & General Manager and also Officiating CMD of National Insurance Company Ltd. and United India Insurance Company Ltd.

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

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

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

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

2. Shri NSR Chandra Prasad, ex-Chairman cum Managing Director of National Insurance Company Limited.

Shri NSR Chandra Prasad, a Commerce Graduate and Fellow of Insurance Institute of India, is the ex-CMD of National Insurance Company Ltd. He is a Direct Recruit Officer of 1978 batch (12 months training from June 1978 - June 1979 in GIC Re). After his induction training in GIC Re, he joined New India Assurance Company where he served various Departments in different capacities. Shri NSR Chandra Prasad was appointed as Managing Director & CEO of Prestige Assurance PLC, Lagos from June 2002 to March, 2006.

Shri NSR Chandra Prasad possess 36 years of rich experience of service in non-life insurance sector where he held number of key positions in Marketing operations, Technical, Reinsurance, Customer Redressal, Personnel & Training both in India and Overseas.

The other Directorships/ Committee memberships of Shri NSR Chandra Prasad are as follows:

Name of the Company	Board Membership	Committee Membership
Cholamandalam MS General Insurance Company Limited	Director	· Audit Committee - Member
Kshema Holdings Pvt. Ltd.	Director	--

Shri NSR Chandra Prasad does not hold any share in the Company.

3. Shri V. Ramasamy, ex-Chairman cum Managing Director of National Insurance Company Limited.

Shri V. Ramasamy, Chartered Accountant by Profession, joined United India Insurance Co. Ltd as a Direct Recruit Officer in the year 1975. During his tenure, he had worked in various capacities and in 2005, he was promoted to the cadre of Chairman cum Managing Director.

He joined National Insurance Co. Ltd as Chairman cum Managing Director from October 2005 to May 2009. After his retirement, he was appointed as Insurance Ombudsman Tamilnadu for Three Years from August 2009.

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

Name of the Company	Board Membership	Committee Membership
General Insurance Corporation of India	DIRECTOR	· Audit Committee - Chairman

Shri V. Ramasamy does not hold any share in the Company.

4. Shri Kamlesh S. Vikamsey, Ex - President of Institute of Chartred Accountants of India.

Shri Kamlesh S. Vikamsey (DIN 00059620), B. Com. from the University of Mumbai, Chartered Accountant has 30 years of Experience in Accounting & Finance, Taxation and Corporate Advisory Services. He is Member of Independent Management Advisory Committee (IMAC) of International Telecommunication Union (ITU), Geneva, Switzerland, Appellate Authority constituted under Chartered Accountants Act, 1949, Income Computation & Disclosure Standards Committee of CBDT and National Advisory Board Manav Sadhan Sanstha.

He was elected as the President of ICAI during 2005-06 and also as Vice President of ICAI during 2004-05. He has been an elected Member of the Central Council of the ICAI from 1998 to 2007. Thereafter he has been the President of Confederation of Asian & Pacific Accountants (CAPA) during 2007-09 and was Deputy President of CAPA during 2005-07. He was a Board Member of the International Federation of Accountants from 2005-08. He has been associated with M/s Khimji Kunverji & Co. as a Senior Partner since 1982. He has served as a Member of various advisory and expert committees at National and International Levels, including as a Member of the Steering Committee for comprehensive review of Governance and Oversight within the United Nations.

The other Directorships/ Committee memberships of Shri Kamlesh S. Vikamsey are as follows:

Name of the Company	Board Membership	Committee Membership
Navneet Education Limited	DIRECTOR	· Nomination & Remuneration Committee - Member
Tribhovandas Bhimji Zaveri Limited	DIRECTOR	· Audit Committee - Chairman Nomination and Remuneration Committee - Member
Container Corporation of India Limited	DIRECTOR	· Audit Committee-Chairman · CSR Committee - Member
Man Infraconstruction Limited	DIRECTOR	· Audit Committee - Member
Apcotex Industries Limited	DIRECTOR	· Audit Committee - Chairman Nomination and Remuneration Committee - Member
Electrotherm Renewables Private Limited	DIRECTOR	----
Palace Solar Energy Private Limited	DIRECTOR	· Audit Committee - Member · Nomination and Remuneration Committee - Member · CSR Committee - Member

Shri Kamlesh S. Vikamsey does not hold any share in the Company.

5. Smt. Mona Bhide (Legal Practitioner), Managing Partner of M/s Dave & Girish & Co. (Law Firm).

Smt. Mona Bhide, B. Com, LL.B. from University of Mumbai, LL.M. from Northwestern University, School of Law, Chicago is a Managing Partner of Dave & Girish & Co., a Law Firm focusing on International Finance and Corporate Laws. She is also Advisor to various Banks and Financial Institutions.

She is the Member of Bar Council of Maharashtra and Goa, Bombay Bar Association, International Swaps and Derivatives Association, International Bar Association, New York State Bar Association, Inter Pacific Bar Association and Asia Pacific Loan Market Association.



She had worked with American Bar Foundation in the field of Investment Banking, conflicts and globalization of the legal profession and also worked with International Law Firm, Sedwick, Deetert Moran and Arnold.

She is one of the highly recommended lawyers for Project Finance & Corporate, Mergers & Acquisitions transactions, restructuring and insolvency practitioner and corporate transactions practitioner in India in Global Counsel 3000.

She has been ranked as a Leading Individual in Banking & Finance, Corporate, Mergers & Acquisitions and Dispute Resolution by Legal 500 and as Leading Lawyer by Asia law Profiles.

The other Directorships/ Committee memberships of Smt. Mona Bhide are as follows:

Name of the Company	Board Membership	Committee Membership
NIL	NIL	NIL

Smt. Mona Bhide does not hold any share in the Company.

DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 28th Annual Report of your Company and the Audited Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS

(₹ in Lacs)

PARTICULARS	March 31, 2018	March 31, 2017
Total Income	112840	100174
Less: Interest expenditure	71276	66784
Overheads	14317	10610
Depreciation & amortization	64	70
Profit Before Tax	27183	22710
Provision for Tax	9450	7635
Deferred Tax Assets	(710)	302
Profit After Tax	18443	14773
Profit brought forward	3244	6
Profit available for appropriation	21687	14779
APPROPRIATIONS:		
General Reserve	9680	7330
Special Reserve under Section 36(1)(viii) of Income Tax Act, 1961	5190	4205
Proposed Equity Dividend	2962	2693
Tax on Proposed Dividend	609	548
Balance carried over to Balance Sheet	3576	3244

IMPORTANT FINANCIAL RATIOS

PARTICULARS	March 31, 2018	March 31, 2017
Return on Net Worth (%)	18.62	17.62
Return on Total Assets (%)	1.62	1.57
Book Value per share (₹)	183.89	155.65
Earnings per share (₹)	34.25	27.43
Debt Equity Ratio (times)	10.08	9.83
Average cost of funds (%)	7.82	8.77
Average yield on advances (%)	10.97	11.63
Net Interest Margin	3.15	2.86

DIVIDEND

Your Directors recommend payment of dividend for the year ended 31st March, 2018 of ₹5.50/- per equity share of ₹10/- each. The total dividend outgo for the current year would amount to ₹35.71 crores including dividend distribution tax of ₹6.09 Crores, as against ₹32.41 Crores including dividend distribution tax of ₹5.48 Crores in the previous year.

The dividend payout ratio for the current year, inclusive of additional tax on dividend will be 16.47% as against 21.94% of previous year. As per Companies (Accounting Standards) Amendments Rules, 2016, Dividend & Tax thereon will be recognized as liability on approval of shareholders at the ensuing Annual General Meeting (AGM).

**OPERATIONS - PERFORMANCE**

Income, Profit, Loan Approvals and Disbursements: Total income for the year under review is ₹1128.40 crores as against ₹1001.74 crores for the year 2016-17. Profit before tax for the year ended is ₹271.83 crores and Profit after tax for the year ended is ₹184.43 crores as against ₹227.10 crores and ₹147.73 crores respectively for the previous year.

The Company's main thrust continues to be on Individual Loans. New loans approved during the year amounted to ₹3869 crores and loans disbursed during the year are ₹3621 crores as against ₹2869 crores and ₹2761 crores for the year ended 31st March, 2017 respectively. The Retail Loan portfolio as at 31st March, 2018 stood at ₹11232 crores as compared to ₹9271 crores as on 31st March, 2017.

During the year under review, your Company has made provision to the extent of ₹61.32 crores as against ₹33.40 crores provided for in the year 2017-18.

RESOURCE MOBILISATION:

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

A. Term Loans from Banks and Insurance Companies.

Your Company has borrowed fresh long term loans of ₹2167 crores from banks during the year as compared to ₹2835 crores during the previous year. The aggregate of term loans outstanding at the end of the financial year stood at ₹6171 crores as against ₹4611 crores as at the end of the previous year.

B. Refinance from National Housing Bank (NHB):

With the continued support of National Housing Bank (NHB), your Company availed refinance amounting to ₹ 631 crores during the year under review as against ₹1400 crores in the previous year. The refinance facility outstanding as on 31st March, 2018 is ₹2875 crores as against ₹2683 crores as at the end of the previous year.

C. Short term Loan and Commercial Paper:

During the year 2017-18, your Company has raised resources by issuing Commercial Paper and also resorted to short term borrowings from the banks and the outstanding amount as on 31st March, 2018 is ₹893 crores.

D. Non Convertible Debentures:

Your Company has outstanding balance of ₹45 Crores through issue of Non Convertible Debentures (NCD) on private placement as on 31st March 2018.

CREDIT RATING

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

CRISIL Rating:

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

ICRA Rating:

- For Commercial Paper(₹1500 crores)/ short term loan (₹500 crores) programmes of ₹2000 crores as [ICRA] "A1+" (Pronounced as ICRAA1 plus). This rating is the highest credit quality rating assigned by ICRA for Short Term Debt Instruments.

- As per the Basel-II requirements - For Fund Based Long Term Loan Programme of ₹10,000 crores as [ICRA] AA+ (Stable) (Pronounced as ICRA double A plus/stable). This rating indicates the high credit quality rating assigned by ICRA to Long Term Debt Instruments.
- For Non-Convertible Debentures Borrowing Programme of ₹550 crores [ICRA] “AA+” (STABLE) (Pronounced as ICRA double A Plus/stable).

BRANCH EXPANSION

During the year under review your Company has opened its Branches at Kozhikode (Kerala), Nellore (Andhra Pradesh), Whitefield (Karnataka), Hubli (Karnataka) and Siliguri (West Bengal). The total number of Offices as on 31st March, 2018 is 69. Your Company is initiating brand building measures to generate general awareness and improve the image of the Company.

INSURANCE COVERAGE TO BORROWERS

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

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

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

CAPITAL ADEQUACY RATIO (CAR)

The Company has been maintaining the Capital Adequacy Ratio (CAR) above the minimum required level prescribed by National Housing Bank (NHB) from time to time. The CAR prescribed for the present is 16.17%.

The Capital Adequacy Ratio of the Company as at 31st March, 2018 is 16.17% as against 16.60% as at 31st March, 2017.

DEPOSITS

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

DEMATERIALISATION OF SHARES AND NOMINATION FACILITY AND LISTING AT STOCK EXCHANGES

As per the Securities & Exchange Board of India directives, the transactions of the Company’s shares must be compulsorily in dematerialised form. Your Company has signed an agreement with the Central Depository Services (India) Limited and National Securities Depository Limited for transaction of shares in dematerialised form. Shareholders holding shares in physical form are requested to convert their holdings into dematerialised form. Out of 5,38,51,066 equity shares, 5,34,17,582 equity shares are in dematerialised form, (5,32,95,991 shares as on 31st March, 2017) which is 99.19% (98.97% as on 31st March, 2017) of the total shares as on 31st March, 2018.

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

The equity shares of the Company continue to be listed on Bombay Stock Exchange Ltd., and The National Stock Exchange of India Ltd., The Annual Listing fees for the year 2017-18 have been paid to these Stock Exchanges.

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

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

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

Unclaimed dividend amounting to ₹12,65,103/- that has not been claimed by shareholders for the financial year 2009-10 has been transferred to Investor Education and Protection Fund (IEPF) during the month of October, 2017.

The dividend pertaining to the financial year 2010-11 remaining unclaimed and unpaid amounting to ₹17,63,190/- as on 31st March, 2018, would be transferred to IEPF during September, 2018 after settlement of claims received up to the date of completion of 7 years from the date of declaration of the dividend. Shareholders who have not claimed the said dividend may write to Registrars and Share Transfer agents.

In terms of the provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, Company is required to transfer the shares in respect of which dividend remains unpaid and unclaimed for a period of seven consecutive years to the Investor Education and Protection Fund (IEPF) Suspense Account. We have transferred total 106402 no. of equity shares to IEPF during the year.

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

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

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

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

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors hereby confirms that:

- a. In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. We have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as at the end of 31st March, 2018 and of the profit /Loss of the Company for the year ended on that date.
- c. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. We have prepared the annual accounts on a going concern basis.
- e. We have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- f. We have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

M/s, CNK & ASSOCIATES LLP Chartered Accountants, Mumbai were re-appointed as Statutory Auditors in the twenty-fourth Annual General Meeting of the Company for the period of Five Years from the conclusion of 24th Annual General Meeting up to the conclusion of 29th Annual General Meeting of the Company subject to ratification of their appointment at every Annual General Meeting.

The Company received the requisite confirmation from them to the effect that their re-appointment, if made, would be as per Section 139 & 141 of Companies Act, 2013.

The Directors of your Company recommend for ratification of appointment of M/s CNK & ASSOCIATES, LLP, Chartered Accountants, Mumbai as Statutory Auditors of the Company from the ensuing Annual General Meeting till conclusion of 29th Annual General Meeting. Suitable resolution for re-appointment requiring approval of the shareholders forms part of the agenda of the Annual General Meeting.

SECRETARIAL AUDITOR

The Board has appointed Shri Makarand Joshi, M/s Makarand M. Joshi & Co., Practicing Company Secretaries as Secretarial Auditor of your Company for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed as **Annexure A** to this report. The Secretarial Audit Report does not contain any qualification, reservations or adverse remark.

DIRECTORS

In accordance with the requirements of Companies Act, 2013 and Article 125 of the Articles of Associations of the Company, Shri K. Sanath Kumar, Director is due to retire by rotation but is not seeking re-election due to superannuation from the services.

The Directors of your Company wish to place on record their appreciation for the services rendered and contribution made by him during his tenure as Director of the Company.

Shri A. V. Girijakumar was appointed as Additional Director pursuant to Article 111 of Article of Association of the Company with effect from 18th August 2017 and holds office up to 28th Annual General Meeting of the Company in terms of Section 161 of the Companies Act 2013 and is eligible for appointment.

Shri NSR Chandra Prasad was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 26th October, 2017 and holds office up to the forthcoming Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and is eligible for appointment.

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, the term of **Shri V. Ramasamy (Chartered Accountant)**, **Shri Kamlesh S. Vikamsey (Chartered Accountant)** and **Smt. Mona Bhide (Legal Practitioner)** is expiring in the 28th Annual General Meeting of the Company and they are proposed to be re-appointed upto the conclusion of 30th AGM of the Company.

Company has received notices in writing from Members under Section 160 of the Companies Act 2013, proposing the candidature of Shri A. V. Girijakumar, Shri NSR Chandra Prasad, Shri V. Ramasamy, Shri Kamlesh S. Vikamsey and Smt. Mona Bhide for the Office of Director of the Company.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of Companies Act, 2013. The Board of Directors recommends their appointment. Your Independent Directors meet all the criteria of Independence as provided in Section 149(6) of Companies Act, 2013.

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

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



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

MEETINGS OF THE BOARD

Board met 4 ('Four') times during the year. For further details, please refer report on Corporate Governance.

RELATED PARTY POLICY AND TRANSACTIONS

Your Company has framed Related Party Transaction Policy pursuant to Listing Regulations, 2015 which is available on the website of the Company www.gichfindia.com. The same is annexed as **Annexure B** to the Directors' Report.

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

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

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

Name	Loan Amount (₹)	Outstanding due as on 31 st March 2018 (₹)
Shri S. Sridharan, Sr. Vice President & Company Secretary	21,11,282/-	18,77,637/-

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

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

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

VIGILANCE MECHANISM

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

NOMINATION AND REMUNERATION POLICY

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

CORPORATE GOVERNANCE

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

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



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

HUMAN RESOURCES & INDUSTRIAL RELATIONS.

The work force strength of Your Company as on 31st March, 2018 is 271.

EXTRACT OF ANNUAL RETURN AS PER SECTION 92

Annual Return in Form MGT 9 is enclosed as per **Annexure F** to the Directors' Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN

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

ACKNOWLEDGEMENTS

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

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

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

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

Place: Mumbai

Date: 24.04.2018

Registered Office:

National Insurance Building,
6th Floor, 14, Jamshedji Tata Road,
Churchgate,
Mumbai-400020

For and on behalf of the Board of Directors

Sd-
S. Gopakumar
Managing Director & CEO

**FORM NO. MR.3****SECRETARIAL AUDIT REPORT**For The Financial Year Ended 31st March, 2018

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

To

The Members,
GIC Housing Finance Limited
National Insurance Building, 6th Floor,
14, Jamshedji Tata Road, Churchgate,
Mumbai- 400020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GIC Housing Finance Limited** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 (hereinafter called the ‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 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 thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company during the Audit Period)**.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October, 2014 **(Not Applicable to the Company during the Audit Period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period); and**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period);**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

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

We further report that

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

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

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

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

We further report that during the Audit period the Company

1. has approved the issue of redeemable Non-Convertible Debentures / Bonds to the extent of ₹ 800 Crores in the meeting of the members held on 24th July, 2017
2. has increased the Borrowing limit u/s 180(1)(c) of the Companies Act, 2013 to ₹ 12,500 Crores in the meeting of the members of the Company held on 24th July, 2017

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

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662

Place: Mumbai

Date: 24.04.2018



To

The Members,
GIC Housing Finance Limited
National Insurance Building, 6th Floor,
14, Jamsheedji Tata Road, Churchgate
Mumbai- 400020

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662

Place: Mumbai
Date: 24.04.2018

POLICY ON RELATED PARTY TRANSACTIONS

SCOPE AND PURPOSE:

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

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

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

OBJECTIVE OF THE POLICY:

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

PROCEDURE FOR APPROVAL OF RELATED PARTY TRANSACTIONS:

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

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

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

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

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

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

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

MATERIALITY THRESHOLD:

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

DISCLOSURES

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



FORM NO. AOC-2

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

- 1. Details of contracts or arrangements or transactions not : NONE**
at arm's length basis
- (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts / arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
- 2. Details of material contracts or arrangement or transactions : NONE**
at arm's length basis
- (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts / arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - (e) Date(s) of approval by the Board, if any:
 - (f) Amount paid as advances, if any:

Place: Mumbai

Date: 24.04.2018

Registered Office:

National Insurance Building,
6th Floor, 14, Jamshedji Tata Road,
Churchgate,
Mumbai-400020

For and on behalf of the Board of Directors

Sd-
S. Gopakumar
Managing Director & CEO

ANNUAL REPORT ON CSR ACTIVITIES

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

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

2. Composition of the CSR Committee:

- a) Shri K. Sanath Kumar (Non-Executive Director), Chairman (upto 30th April, 2018)
- b) Shri B. Chakrabarti (Independent Director), Member
- c) Smt. Mona Bhide (Independent Director), Member
- d) Shri S. Gopakumar (Managing Director & CEO), Member

3. Average net Profit of the Company for the last three financial years.

₹ 190.64 crores

4. Prescribed CSR Expenditure (two percent of the amount as in item 3).

₹ 3.813 crores

5. Details of CSR spent during the financial year

- a) Total amount to be spent for the financial year - ₹3.813 crores for f.y. 2017-18
- b) Amount unspent, if any - ₹3.813 crores for f.y. 2017-18
- c) Manner in which the amount spent during the financial year is detailed below -

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or others (2) specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: • Direct expenditure on projects or programs. • Overheads:	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency*
	TOTAL			NIL			

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

Your Company could not spend the full amount of CSR due to no prior experience of CSR activities.

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

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

Sd/-
S. Gopakumar
Managing Director & CEO

Sd/-
K. Sanath Kumar
Committee Chairman

NOMINATION AND REMUNERATION POLICY

I. PREAMBLE

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

II. DEFINITIONS:

“Board” means Board of Directors of the Company.

“Company” means GIC HOUSING FINANCE LIMITED.

“Policy or This Policy” means, Nomination and Remuneration Policy.

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

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

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

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

III. OBJECTIVE:

The Key Objectives of the Committee would be:

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

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

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company’s Policy.

- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years.

BOARD DIVERSITY:

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

Term / Tenure:

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

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

2. Independent Director:

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

REMOVAL

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

V. EVALUATION:

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

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

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

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

VII. SITTING FEE TO INDEPENDENT DIRECTORS:

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

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

VIII. MINUTES OF COMMITTEE MEETING:

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

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON 31_03_2018

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - Not Applicable**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01_04_2017				No. of Shares held at the end of the year 31_03_2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt/ State Govt(s)	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	22701128	0	22701128	42.16	22701128	0	22701128	42.16	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):-	22701128	0	22701128	42.16	22701128	0	22701128	42.16	0

Category of Shareholders	No. of Shares held at the beginning of the year 01_04_2017				No. of Shares held at the end of the year 31_03_2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other -Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	22701128	0	22701128	42.16	22701128	0	22701128	42.16	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	4602814	3600	4606414	8.55	3430810	100	3430910	6.37	-2.18
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Foreign Portfolio Investors	1575567	0	1575567	2.93	1617197	0	1617197	3	0.07
d) Banks / FI	33254	200	33454	0.06	61929	200	62129	0.12	0.06
e) Insurance Companies	2550250	0	2550250	4.74	3050250	0	3050250	5.66	0.92
f) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
g) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	8761885	3800	8765685	16.28	8160186	300	8160486	15.15	1.13
2. Non Institutions									
a) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 2 lakh	11156669	545473	11702142	21.73	12066214	430382	12496596	23.21	1.48
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	5120757	0	5120757	9.51	4668686	0	4668686	8.67	-0.84
b) Others(specify)									
NBFCs Registered with RBI	13847	0	13847	0.03	21732	0	21732	0.04	0.01
Trust	54448	0	54448	0.10	36253	0	36253	0.07	-0.03
Bodies Corporate	4661496	5002	4666498	8.67	4772621	2802	4775423	8.87	0.2
Clearing Members	108401	0	108401	0.20	197763	0	197763	0.37	0.17
Non Resident (Non Rep)	134181	0	134181	0.25	173480	0	173480	0.32	0.07
Non Resident	582679	800	583479	1.08	512917	0	512917	0.95	-0.13
Foreign Nationals	500	0	500	0.00	200	0	200	0.00	0.00
IEPF	0	0	0	0	106402	0	106402	0.20	0.20
Sub-total (B)(2):-	21832978	551275	22384253	41.57	22449866	433184	22989452	42.7	1.13
Total Public Shareholding B)=(B)(1)+(B)(2)	30594863	555075	31149938	57.85	30716454	433484	31149938	57.84	0.1
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	53295991	555075	53851066	100.00	53417582	433484	53851066	100	0

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year _ 01_04_2017			Shareholding at the end of the year _ 31_03_2018			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	% change in share holding during the year
1	GENERAL INSURANCE CORPORATION OF INDIA	8218802	15.26	0	8218802	15.26	0	0
2	THE NEW INDIA ASSURANCE COMPANY LTD.	4594204	8.53	0	4594204	8.53	0	0
3	UNITED INDIA INSURANCE COMPANY LTD.	3956000	7.35	0	3956000	7.35	0	0
4	THE ORIENTAL INSURANCE COMPANY LTD.	2975024	5.52	0	2975024	5.52	0	0
5	NATIONAL INSURANCE COMPANY LTD.	2957098	5.49	0	2957098	5.49	0	0

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

Sr. No.	Particulars	Shareholding at the beginning of the year 01_04_2017		Cumulative Shareholding during the year 31_03_2018	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
NIL					

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

Sr. No.	Shareholding at the beginning of the year _ 01_04_2017			Cumulative Shareholding during the year_31_03_2018	
	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	RELIANCE CAPITAL TRUSTEE CO. LTD A/C RELIANCEBANKI	4267987	7.93	2628990	4.88
2	LIFE INSURANCE CORPORATION OF INDIA	2712250	5.04	3712250	6.89
3	TATA INVESTMENT CORPORATION LIMITED	1900000	3.53	1900000	3.53
4	COHESION INDIA BEST IDEAS (MASTER) FUND LIMITED	575784	1.07	605784	1.12
5	INDUSTRIAL CREDIT & INV CORP OF INDIA LTD	546528	1.01	419450	0.78
6	SONAL D SHAH	500010	0.93	500010	0.93
7	PREETI N SHAH	500000	0.93	500000	0.93
8	URMILA D SHAH	500000	0.93	500000	0.93
9	CD EQUIFINANCE PRIVATE LIMITED	487308	0.90	626120	1.16
10	ISHWAR GREWAL	387683	0.72	407683	0.76

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year_01_04_2017		Cumulative Shareholding during the year _31_03_2018	
		No. of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	0	0	0	0
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	0	0	0	0
3	At the End of the year	0	0	0	0

V. INDEBTEDNESS:

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

Particulars	Secured Loans excluding Deposits (₹)	Unsecured Loans (₹)	Deposits	Total Indebtedness (₹)
Indebtedness at the beginning of the financial year				
i) Principal Amount	73,39,46,74,355	8,97,38,43,279	-	82,36,85,17,634
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,65,78,836	-	-	3,65,78,836
Total (i+ii+iii)	73,43,12,53,191	8,97,38,43,279	-	82,40,50,96,470
Change in Indebtedness during the financial year.				
· Addition	27,97,71,35,402	60,12,00,00,000	-	88,09,71,35,402
· Reduction	10,45,97,19,716	60,16,52,36,111	-	70,62,49,55,827
Net Change	17,51,74,15,686	-4,52,36,111	-	17,47,21,79,575
Indebtedness at the end of the financial year				
i) Principal Amount	90,91,20,90,041	8,92,86,07,168	-	99,84,06,97,209
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3,64,72,192	-	-	3,64,72,192
Total (i+ii+iii)	90,94,85,62,233	8,92,86,07,168	-	99,87,71,69,401

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director & CEO:

Sr. No.	Particulars of Remuneration	Shri S. Gopakumar (Managing Director & CEO) As on 31.03.2018
		Amount (₹)
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,77,533
	(b) Salary Arrear	0
	(c) Value of perquisites u/s 17(2) Income-tax Act, 1961	0
	(d) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission - as % of profit - others, specify...	0
5	Others :	
	• Performance Incentive	1,53,808
	• Leave Encashment and Other Allowances	44,333
	• L.T.S	3,35,010
6	Contribution to Pension and other funds	1,38,204
	Total	31,48,888
	Total A	31,48,888
	Ceiling as per Act	Maximum 5 % of net profit

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount (₹)
		Shri V. Ramasamy	Shri Kamlesh S. Vikamsey	Smt Mona Bhide	Shri B. Chakra-barti	Shri A V Muralid-haran	Shri M K Garg	Shri NSR Chandra Prasad	
1	Independent Directors								
	• Fee for attending board & committee meetings	3,90,000	1,20,000	2,10,000	1,50,000	1,50,000	1,50,000	30,000	12,00,000
	• Commission	0	0	0	0	0	0	0	0
	• Others, please specify	0	0	0	0	0	0	0	0
	Total (i)	3,90,000	1,20,000	2,10,000	1,50,000	1,50,000	1,50,000	30,000	12,00,000
2	Other Non-Executive Directors								
	• Fee for attending board / committee meetings	0	0	0	0	0	0	0	0
	• Commission	0	0	0	0	0	0	0	0
	• Others, please specify	0	0	0	0	0	0	0	0
	Total (ii)	0	0	0	0	0	0	0	0
	Total (B)=(i+ii)	3,90,000	1,20,000	2,10,000	1,50,000	1,50,000	1,50,000	30,000	12,00,000
	Total Managerial remuneration (A+B)	43,48,888							
	Overall Ceiling for sitting fee as per the act	₹ 1,00,000/- per Director for each meeting							

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

Sr. No.	Particulars of Remuneration	Shri S. Sridharan (Sr. Vice President & Company Secretary)
		Amount (₹)
1	Gross salary	2222328
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	560547
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	- -
5	Others, please Specify	-
6	Contributions to pension and other funds	218689
	TOTAL	3001564

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on Behalf of the Board of Directors

Sd/-

S. SRIDHARAN
SR. VICE PRESIDENT & COMPANY SECRETARY

For and on Behalf of the Board of Directors

Sd/-

S. GOPAKUMAR
MANAGING DIRECTOR & CEO

MANAGEMENT DISCUSSION & ANALYSIS REPORT

GENERAL: OVERVIEW OF THE ECONOMY

➤ Global Economy

For the first time since the financial crisis a decade ago, all of the world's major economies are growing. The United States, the world's largest economy, is into its ninth year of growth, with the International Monetary Fund lifting expectations for expansion to 2.7 percent this year from 2.3 percent because of the tax cuts. China has diminished fears of an abrupt halt to its decades-long growth trajectory. Europe, only recently dismissed as anemic and hopelessly vexed by political dysfunction, has emerged as a growth leader. Even Japan, long synonymous with grinding decline, is expanding as well. Rising oil prices have lifted Russia and Middle East producers, while Mexico has so far transcended fears that menacing trade rhetoric from the Trump administration would dent its economy. Brazil, still suffering the effects of a veritable depression, is flashing tentative signs of recovery.

➤ Domestic Economy

The Indian economy had to weather the impact of a double whammy of sorts in 2017. Even as it tried to cope with the demonetisation shocker of November 2016, the government's decision to roll out the Goods and Services Tax from July crippled it even further, primarily due to faulty implementation of the mammoth step towards overhauling the indirect tax system.

It was, however, also a year of contrasts. On the one hand, economic growth during the first quarter of 2017-18 slumped to a three-year low of 5.7%, before rebounding a tad in the second quarter. But the booming stock market did not seem to either take note of the impact of GST or the note ban move, as benchmark indexes climbed nearly 25% year to date.

Besides, the bad loans problem dragged the banking sector down and crimped lending activity while the agriculture sector's woes intensified. A rating upgrade, however, by Moody's and early signs of a recovery in certain sectors were seen as a brief respite. As the year drew to a close, retail inflation raised its ugly head to dampen the mood yet again, with murmurs of an impending rate hike by the Reserve Bank of India looming large.

Overall, India's economic performance for 2017 was a mixed bag - struggling, but with green shoots of a turnaround visible as the New Year sets in. The year started with the economy reeling under the note ban move, leading to the near-demise of small businesses, especially in the cash-dependent informal sector, besides bringing down infrastructure, including real estate, to its knees and crushing consumer demand. While the construction sector remained sluggish, especially due to slowing demand of finished steel and cement, the biggest concern was agriculture, which continued to be under stress with growth slowing in the second quarter to 1.7%, compared with the 4.1% clocked in the year-ago period.

Despite the government's efforts to tackle bad loans that plague a significant chunk of the country's state-owned banks, the problem remained the elephant in the room during the year without significant progress and seeking urgent attention. In October, the government announced a mammoth recapitalisation plan of ₹ 2.11 lakh crore for public-sector banks.

The corporate debt overhang and the banking sector's soured loans kept private investments under pressure. Government data show that gross fixed capital formation, a proxy for gauging investments, slumped to 1.6% growth in the April-June quarter. The situation, however, improved in the second quarter with growth coming in at 4.7%. Still, that's not enough.

Ratings firm India Ratings said in a recent report that a recovery in the investment cycle is unlikely before 2019-20 due to muted demand and high debt levels and that government efforts will also be ineffective. The unit of global ratings firm Fitch also said that companies will shy away from investments despite the prevailing low interest rates. To compound the problem, interest rates may start picking up next year as news of retail inflation zooming to a 15-month high of 4.88%, breaching the central bank's 4.2-4.6% target range, fanned speculation monetary tightening.

However, it was not all doom, gloom, confusion and heartburn for the Indian economy. This was highlighted by the Indian stock market scaling new highs, and India rising 30 places in the World Bank's doing business report, reaching the top 100 in the world for the first time.

➤ **Indian Economy Outlook**

India is projected to grow at 7.4 per cent in Financial Year (FY) 2018-19 as against China's 6.8 per cent, according to International Monetary Fund, making it the fastest growing country among emerging economies following last year's slowdown due to demonetisation and the implementation of the GST. In its latest World Economic Outlook (WEO) update released in Davos, Switzerland on the sidelines of the World Economic Forum, the International Monetary Fund has projected a 7.8 per cent growth rate for India in 2019-20. Growth rate projections for both 2018 and 2019 remains unchanged since its October 2017 WEO projections. China, during the same period, is expected to grow at 6.6 per cent and 6.4 per cent respectively, the IMF said.

➤ **Government Initiatives for 2018-19**

Indian Government is guided by mission to strengthen agriculture, rural development, health, education, employment, MSME and infrastructure sectors. As per Government, a series of structural reforms will propel India among the fastest growing economies of the world. Country firmly on course to achieve over 8 % growth as manufacturing, services and exports back on good growth path. Government is also taking up the programmes to direct the benefits of structural changes and good growth to reach farmers, poor and other vulnerable sections of our society and to uplift the under-developed regions. Government has also given big thrust to Medium, Small and Micro Enterprises (MSMEs) to boost employment and economic growth. Emphasising that infrastructure is the growth driver of economy, the Finance Minister estimated that investment in excess of ₹ 50 lakh crore is needed to increase growth of GDP and connect the nation with a network of roads, airports, railways, ports and inland waterways. The Government has made an all-time high allocation to rail and road sectors and is committed to further enhance public investment.

➤ **REAL ESTATE INDUSTRY STRUCTURE & DEVELOPMENTS**

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

India's rank in the Global House Price Index has jumped 13 spots to reach the ninth position among 55 international markets, on the back of increasing prices in mainstream residential sector. The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP).

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private equity investments in real estate are estimated to grow to US\$ 100 billion by 2026 with tier 1 and 2 cities being the prime beneficiaries. India stood third in the US Green Building Council's

(USGBC) ranking of the top 10 countries for Leadership in Energy and Environmental Design (LEED) certified buildings, with over 752 LEED-certified projects across 20.28 million gross square meters of space. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.66 billion in the period April 2000-September 2017.

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. As of November 2017, a total of 3.076 million houses have been sanctioned under the Pradhan Mantri Awas Yojana (PMAY) (U) since its launch, according to the Ministry of Housing and Urban Affairs, Government of India. The Ministry of Housing and Urban Poverty Alleviation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, namely West Bengal, Jharkhand, Punjab, Kerala and Manipur under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of ₹ 3,073 crore (US\$ 460 million). The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth ₹ 1.25 trillion (US\$ 19.65 billion) in the Indian market over the years. Government has also proposed to assign infrastructure status to affordable housing projects and facilitate higher investments. Government will be establishing a dedicated affordable housing fund in the National Housing Bank funded from priority sector lending shortfall and fully serviced bond authorised by the government of India.

➤ OPPORTUNITIES & THREATS IN REAL ESTATE INDUSTRY

Real estate which was one of the most sought after investment avenue among India has seen a dip in its popularity off late because of the stagnation or dip in prices. In line with the past three-four years, the performance of real estate in 2017 was lacklustre in terms of growth in prices and sales. Real estate which was one of the most sought after Investment Avenue among India has seen a dip in its popularity off late because of the stagnation or dip in prices. Apart from this, real estate has been considered a safe haven for parking black money but the reforms such as Real Estate (Regulation and Development) Act (RERA) and Goods & Services Tax (GST) and Demonetisation brought in by the government to curb the black money menace has hit the sector hard. In some of the real estate markets, the sales are yet to catch up to the pre-demonetisation level. In 2017, 1.6 lakh units were sold during Q1-Q3 2017 as per Anarock research. The decline in sales was only to the tune of 30% compared to Q1-Q3 2016. Also, the number of new launches were also limited. Only 94,000 units were added in top 7 cities of India between Q1-Q3 2017, which is a drop of more than 50% from the same period in 2016.

However, experts believe that real estate market is going through a transitional phase. Things are going to get better over time and the reforms will help in shaping up the industry to a more consumer friendly market. “Overall, 2017 saw the Government making it clear that home buyers will no longer be at the mercy of real estate developers, and putting various measures in place to ensure that housing supply syncs up with demand and pertinent projects are developed.

Affordable Housing is going to be the big thing in 2018 given the thrust by the government. The government has awarded it with the much needed infrastructure status. The definition of affordable housing and houses classified under mid income group was also changed by the government to cover a larger buyer base and help developers offload their budget homes inventory. “The real estate market in 2018 is expected to show price levels on a similar scale when compared with those of 2017. All in all, the year will remain a good time to buy. It is expected that the market will see more options in ready stock since a greater number of completions are to take place in the next year.



➤ **SEGMENT REPORTING**

The Company is exclusively engaged in the Housing Finance business and revenues are mainly derived from this activity. Accounting Standard 17 regarding Segment-wise Reporting issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Amendments Rules, 2011 does not apply to your Company since revenues are derived from only one segment i.e. housing finance activity.

➤ **RISKS AND CONCERNS**

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

➤ **RISK MANAGEMENT**

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

➤ **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

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

➤ **MARKETING**

The marketing of your Company's home loan products are done through direct sales, through Direct Selling Agents and tie up with builders. Marketing of home loan products with a focused attention on existing as well as the prospective customers is a constant endeavour at the Company with **69 Offices** spread across the country.

➤ **HUMAN RESOURCES/ INDUSTRIAL RELATIONS**

The Company has a dedicated team of **271 Employees**, who have been contributing to the progress and growth of the Company. The manpower requirement at Offices of the Company is assessed continuously and recruitment is conducted accordingly.

➤ **RELATED PARTY TRANSACTIONS**

The Related Party Transactions with details are furnished in the Notes on Accounts [Note No.24 point No.12 (XI)], forming part of the Accounts. None of the transactions with any of the related parties were in conflict with the interests of the Company. Transactions with related parties entered into by the Company in the normal course of business were placed before the Audit Committee.

➤ **CAUTIONARY STATEMENT**

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24.04.2018

Sd/-
S. Gopakumar
Managing Director & CEO



CORPORATE GOVERNANCE REPORT

REPORT OF DIRECTORS ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

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

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

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

BOARD OF DIRECTORS/ BOARD MEETINGS

COMPOSITION OF THE BOARD

The Board of your Company comprises 14 members as on 31st March, 2018. Most of the members of the Board are Non-Executive Directors.

Sr. No.	Name of the Director	Executive/ Non Executive/ Independent	No. of Directorships in other Companies	No. of Committees membership in other Companies	
				Member	Chairman/ Chairperson
1	Smt. Alice G. Vaidyan (Non-Executive Chairperson)	Non-Executive Director	5	4	1
2	Shri G. Srinivasan	Non-Executive Director	4	5	1
3	Shri K. Sanath Kumar	Non-Executive Director	3	1	1
4	Shri M. N. Sarma	Non-Executive Director	4	0	1
5	Shri A. V. Girijakumar	Non-Executive Director	3	0	1
6	Shri Y. Ramulu	Non-Executive Director	1	0	0
7	Shri V. Ramasamy	Non-Executive/ Independent Director	1	0	1
8	Shri Kamlesh S. Vikamsey	Non Executive/ Independent Director	7	8	3
9	Smt. Mona Bhide	Non Executive/ Independent Director	0	0	0
10	Shri B. Chakrabarti	Non-Executive/ Independent Director	1	1	1

Sr. No.	Name of the Director	Executive/ Non Executive/ Independent	No. of Directorships in other Companies	No. of Committees membership in other Companies	
				Member	Chairman/ Chairperson
11	Shri M. K. Garg	Non-Executive/ Independent Director	3	1	1
12	Shri A. V. Muralidharan	Non-Executive/ Independent Director	0	0	0
13	Shri NSR Chandra Prasad	Non-Executive/ Independent Director	2	1	0
14	Shri S. Gopakumar	Managing Director & CEO	1	0	0

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

TERM OF OFFICE OF DIRECTORS

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

In accordance with the requirements of the Companies Act 2013, and Article 125 of the Articles of Association of the Company, Shri K. Sanath Kumar who is retiring by rotation at the ensuing Annual General Meeting is not seeking re-election due to superannuation.

Shri A. V. Girijakumar and Shri NSR Chandra Prasad were appointed as an Additional Directors on 18th August, 2017 and 26th October, 2017 respectively and they offer themselves for appointment as Non-Executive Directors.

As per Section 149(10) and any other provisions of the Companies Act, 2013 Shri Kamlesh S. Vikamsey, Shri V. Ramasamy and Smt. Mona Bhide whose term is upto 28th AGM of the Company, offers themselves for re-appointment as Independent Director upto the conclusion of 30th AGM of the Company.

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

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

CODE OF CONDUCT

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Familiarisation Programme for Independent Directors During the year under review, the Company had provided suitable training to Independent Directors, familiarizing them with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates and business model of the company. The details of such familiarisation programme are disclosed on the Company's website www.gichfindia.com

**MEETINGS OF THE BOARD**

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

The Board met Four times during the year on 26th April, 2017; 24th July, 2017; 26th October, 2017; and 30th January, 2018. The gap between two meetings did not exceed four months.

Attendance Record of Directors: Number of Board Meetings held: 4

Name of the Director	Number of Meetings attended	Whether attended last AGM held on 24 th July, 2017
Smt. Alice G. Vaidyan	2	Yes
Shri G. Srinivasan	1	No
Shri K. Sanath Kumar	3	No
Shri Y. Ramulu	1	Yes
Shri Kamlesh S. Vikamsey	2	Yes
Smt. Mona Bhide	3	Yes
Shri V. Ramasamy	4	Yes
Shri B. Chakrabarti	4	Yes
Shri M. K. Garg	4	Yes
Shri A. V. Muralidharan	3	Yes
Shri S. Gopakumar	4	Yes
Shri A V Girijakumar (Appointed as on 18 th August, 2017)	2	NA
Shri M N Sarma (Appointed as on 26 th October, 2017)	1	NA
Shri NSR Chandra Prasad (Appointed as on 26 th October, 2017)	1	NA

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:

Sr. No.	Name of the Director	Number of shares held
1	Smt. Alice G. Vaidyan	Nil
2	Shri G. Srinivasan	Nil
3	Shri K. Sanath Kumar	Nil
4	Shri M N Sarma	Nil
5	Shri A. V. Girija Kumar	Nil
6	Shri Y. Ramulu	Nil
7	Shri V. Ramasamy	Nil
8	Shri Kamlesh S. Vikamsey	Nil
9	Smt. Mona Bhide	Nil
10	Shri B. Chakrabarti	Nil
11	Shri M. K. Garg	Nil
12	Shri A. V. Muralidharan	Nil
13	Shri NSR Chandra Prasad	Nil

COMMITTEES OF THE BOARD

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

AUDIT COMMITTEE

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

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

The Company Secretary acts as the Secretary to the Committee. The Committee met four times during the year under review on 26th April, 2017, 24th July, 2017, 26th October, 2017 and 30th January, 2018. Senior Officials and Statutory Auditors are invited to attend the meetings and provide clarification as and when required. The minutes of meetings of the Audit Committee are placed before the Board for noting.

Attendance Record of Directors: Number of Audit Committee Meetings held: 4

Sr. No.	Name of the Director	Number of Meetings Attended
1	Shri V. Ramasamy	4
2	Shri Y. Ramulu	1
3	Shri Kamlesh S. Vikamsey	2
4	Shri A. V. Muralidharan (appointed on 1 st January, 2018)	1

NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee was constituted by the Board in its meeting held on 6th May, 2009. The terms of reference of the Committee includes to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management, to formulate a criteria for determining qualifications, positive attributes and independence of a Director, to evaluate the performance of the Members of the Board and provide necessary report to the Board for further evaluation, to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management, to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks, to devise a policy on Board diversity, to carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable, to perform such other functions as may be necessary or appropriate for the performance of its duties. The Committee presently consists of 3 Directors - Smt. Mona Bhide, Director is the Chairperson of the Committee. The other members include Shri V. Ramasamy and Shri Y. Ramulu. The Committee has laid down the following criteria for evaluation of performance of Independent Directors and the Board:



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

The Committee met on 26th April, 2017; 24th July, 2017; 26th October, 2017; 30th January, 2018.

Attendance Record of Directors: Number of Committee Meetings held: 4

Sr. No.	Name of the Director	Number of Meetings Attended
1	Smt. Mona Bhide	3
2	Shri V. Ramasamy	4
3	Shri Y. Ramulu	1

REMUNERATION OF DIRECTORS

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

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

Sr. No.	Name of the Non Executive Independent Director	Sitting Fees Paid (₹)
1	Shri V. Ramasamy	3,90,000
2	Shri Kamlesh S. Vikamsey	1,20,000
3	Smt. Mona Bhide	2,10,000
4	Shri B. Chakrabarti	1,50,000
5	Shri M. K. Garg	1,50,000
6	Shri A. V. Muralidharan	1,50,000
7	Shri NSR Chandra Prasad	30,000

The details of the Remuneration paid to the Managing Director & CEO for the year 2017-18 are as follows:

Shri S. Gopakumar, Managing Director & CEO

Particulars	Amount (₹)
Salary	24,77,533
Salary Arrears	0
Leave Encashment and other allowances	44,333
Performance Incentive	1,53,808
Contribution to Pension and Other funds	1,38,204
Perquisites	3,35,010
Total	31,48,888

STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee was constituted in the year March 1995. It presently consists of 4 Directors. Shri V. Ramasamy, Director is the Chairman of the Committee. The other members include Smt. Mona Bhide, Shri Y. Ramulu and Shri M K Garg.

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

Shri S. Sridharan (Sr. Vice President & Company Secretary) is the Compliance Officer of the Committee. The Committee did not meet during the year.

E-mail ID for the purpose of registering queries/ complaints by investors - investors@gichf.com

ASSET LIABILITY AND RISK MANAGEMENT COMMITTEE

Asset Liability and Risk Management Committee of the Board consists of 3 Directors. Shri V. Ramasamy, Chairman of the Committee, Shri Y. Ramulu, Member and Shri S. Gopakumar, Member.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

The CSR Committee presently consists of Shri K. Sanath Kumar, Non-Executive Director (Chairman), Smt. Mona Bhide, Independent Director, Shri B. Chakrabarti, Independent Director and Shri S. Gopakumar, Managing Director & CEO.

COMMUNICATION TO THE SHAREHOLDERS

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

ANNUAL GENERAL MEETINGS (AGMs)

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

Year	Date	Time	Location
2014-15	17 th July, 2015	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 th Floor, General Jagannath Bhosale Marg, Mumbai - 400021.
2015-16	27 th July, 2016	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 th Floor, General Jagannath Bhosale Marg, Mumbai - 400021.
2016-17	24 th July, 2017	3.30 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 th Floor, General Jagannath Bhosale Marg, Mumbai - 400021.

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

Date of AGM/Postal Ballot/EGM	Number of Resolutions		Details
17 th July, 2015 (AGM)	Nil	Nil	
27 th July, 2016 (AGM)	NIL	NIL	
24 th July, 2017 (AGM)	6	1. Increase in the borrowing power of the Company. 2. Creation of Charges on moveable and immovable property of the Company. 3. Re-Appointment of Independent Director(s) 4. Private Placement of Redeemable Non-convertible Debentures (NCDs/ Bonds).	

DETAILS OF SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT IN THE LAST YEAR.

NA

PERSON WHO CONDUCTED THE POSTAL BALLOT EXERCISE

NA

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

PROCEDURE FOR POSTAL BALLOT

Your Company follows the provisions of the Companies Act, 2013 and Listing Regulations, 2015 for Postal Ballot, if any.

OTHER DISCLOSURES

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

None of the transactions with any of the related parties were in conflict with the interests of the Company. Transactions with related parties entered into by the company in the normal course of business were placed before the Audit Committee. Details of related party transactions as per Accounting Standards - 18 are included in Notes to the Accounts [Note No. 24 point No. 12(XI)]

Policy on related party transaction is available on the Company's website i.e. www.gichfindia.com

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

There were no instances of non-compliance of any matter related to capital markets during the last three years. There were no strictures or penalties imposed by Securities and Exchange Board of India or by the Stock Exchange/s or any statutory authority for non compliance of any matter related to the capital markets.

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

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

d) The Company has complied with the applicable Accounting Standards issued by the Institute of the Chartered Accountants of India from time to time and other regulations applicable to it.

e) Related Party Transaction Policy is available at the website of the Company www.gichfindia.com

f) SUBSIDIARIES

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

g) GOING CONCERN

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

h) AUDIT QUALIFICATION

There is no qualification on any of the financial statements for the financial year 2017-18 of the Company.

i) SHAREHOLDERS INFORMATION

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

For and on behalf of the Board of Directors

Sd/-

S. Gopakumar

Managing Director & CEO

Place : Mumbai

Date : 24.04.2018

**SHAREHOLDERS INFORMATION:**

1. **Twenty-eighth Annual General Meeting:**

Date : 02nd August, 2018

Time : 3.30 P.M.

Venue : Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4th Floor, General Jagannath Bhosale Marg, Mumbai - 400021.
2. **Financial Year :** 1st April, 2017 to 31st March, 2018
3. **Financial Calendar for the year 2018-19. (Provisional)**

Results for the first quarter ending 30 th June, 2018 (Subject to Limited Review).	Before the end of July, 2018
Results for the second quarter ending 30 th September, 2018 (Subject to Limited Review).	Before the end of October, 2018
Results for the third quarter ending 31 st December, 2018 (Subject to Limited Review).	Before the end of January, 2019
Audited Results for the financial year ending 31 st March, 2019.	Before the end of May, 2019
Annual General Meeting for the year ending March, 2019	Before the end of September, 2019

4. **Book Closure**

The Register of Members and Share Transfer books are closed keeping in view the Scheduled date of the Annual General Meeting. For the year under reference the above registers/ books would be closed from **24th July, 2018 (Tuesday) to 2nd August, 2018 (Thursday)** (both days inclusive) and was notified accordingly.

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

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

Security Code for Equity shares

- **National Stock Exchange of India Limited: GICHSGFIN**

Address: The National Stock Exchange Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
MUMBAI - 400 051

- **BSE Limited: 511676**

Address: BSE Limited,
P.J. Towers,
Dalal Street,
Fort,
Mumbai - 400 001

Non Convertible Debentures (NCDs) - The Non Convertible Debentures issued by the Company are listed with BSE Limited. Annual Listing fees as prescribed have been paid to BSE Limited.

Security Code for Non-Convertible Debentures

- **Bombay Stock Exchange: 952052**

6. Dematerialisation of shares

With effect from 20th August, 2000, the Equity Shares of the Company are to be traded compulsorily in Dematerialised form. 99.19 % of the paid-up Equity Capital has been dematerialised as on 31st March, 2018.

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

ISIN Number for Equity Shares - INE289B01019

ISIN Number for NCD - INE289B07024

7. Dividend Payment

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

Dividend warrants/ NECS advice in respect of shares held in Demat form are posted to the beneficial owners to their addresses as per the information furnished by the NSDL & CDSL as on the date of Book Closure. Dividend will be paid on or after 13rd August, 2018 (Monday)

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

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

MONTH	INDEX (SENSEX) (₹)		QUOTE (₹)	
	High	Low	High	Low
April, 2017	29974.24	29319.1	518.6	402.6
May, 2017	31159.4	29858.8	572.55	505.85
June, 2017	31311.57	30834.32	615.85	533
July, 2017	32514.94	31209.79	570.8	512.2
August, 2017	32575.17	31213.59	537.7	483.9
September, 2017	32423.76	31159.81	550.35	501.25
October, 2017	33266.16	31497.38	529.85	484.05
November, 2017	33731.19	32760.44	483.5	419.5
December, 2017	34056.83	32597.18	468.65	404.2
January, 2018	36283.25	33793.38	471.15	422.55
February, 2018	35906.66	33703.59	423.1	388.2
March, 2018	34046.94	32596.54	396.35	347.25

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

MONTH	INDEX (NIFTY) (₹)		QUOTE (₹)	
	High	Low	High	Low
April, 2017	9351.85	9103.50	518.65	404.40
May, 2017	9624.55	9285.30	575.00	502.90
June, 2017	9675.10	9491.25	616.05	534.14
July, 2017	10077.10	9613.30	569.65	510.95
August, 2017	10114.65	9710.80	538.70	475.20
September, 2017	10153.10	9735.75	550.00	500.15
October, 2017	10363.65	9859.50	528.60	482.50
November, 2017	10452.50	10118.05	483.25	418.90
December, 2017	10531.50	10044.10	468.05	403.15
January, 2018	11130.4	10435.55	470.7	421.75
February, 2018	11016.9	10360.4	423.95	388.6
March, 2018	10458.35	9998.05	397.25	346.7


9. Distribution of Shareholding as at 31st March, 2018

DESCRIPTION	HOLDER (S)		HOLDING (S)	
	FOLIOS	%	SHARES	%
Upto 5000	51388	91.61	5382058	9.99
5001 - 10000	2425	4.32	1937207	3.60
10001 - 20000	1133	2.02	1717009	3.19
20001 - 30000	392	0.70	1004888	1.87
30001 - 40000	169	0.30	618453	1.15
40001 - 50000	135	0.24	634687	1.18
50001 - 100000	242	0.43	1775395	3.30
More than 100000 & Above	212	0.83	40781369	75.73
TOTAL	56096	100.00	53851066	100

10. Shareholding pattern as at 31st March, 2018

Sr. No.	Description	Cases	Shares	% Equity
1	BANKS	4	62129	0.12
2	CLEARING MEMBERS	149	197763	0.37
3	FOREIGN INSTITUTIONAL INVESTOR	-	-	-
4	FOREIGN NATIONALS	1	200	0.00
5	FOREIGN PORTFOLIO INVESTORS	27	1617197	3.00
6	H U F	1241	874688	1.62
7	INSURANCE COMPANIES	1	3050250	5.67
8	BODIES CORPORATES	789	4775423	8.86
9	MUTUAL FUNDS	9	3430910	6.37
10	NBFC	11	21732	0.04
11	NON RESIDENT INDIANS	860	512917	0.95
12	NRI NON-REPATRIATION	335	173480	0.322
13	PROMOTER COMPANIES	5	22701128	42.16
14	RESIDENT INDIVIDUALS	52646	16290594	30.25
15	TRUSTS	11	36253	0.07
16	IEPF	1	106402	0.20
Total:		56090	53851066	100

11. Compliance Officer: Shri S. Sridharan

Senior Vice President & Company Secretary

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

15. Registrars, Share Transfer Agents & Shareholders Correspondence

M/S KARVY COMPUTERSHARE PVT. LTD.,

Corporate Office : Karvy Selenium, Tower B, Plot 31-32, Gachibowli,

Financial District,

Hyderabad-500032

Tel No. +91 40 67162222

Fax No. +91 40 23420814

Email: einward.ris@karvy.com

Mumbai Front Office : 24-b, Raja Bahadur Mansion,

Ground Floor, Ambalal Doshi Marg,

Behind BSE, Fort, Mumbai-400023.

Tel No. +91 226623 5454/412/427

16. Share Transfer System

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

UNCLAIMED DIVIDEND

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

The due date for transfer of unclaimed dividend pertaining to year 2010-11 is September, 2018.

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

BANK ACCOUNT PARTICULARS

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

DIVIDEND PAYMENT THROUGH NECS

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

NOMINATION

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

PUBLICATION OF FINANCIAL RESULTS

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



DECLARATION ON CODE OF CONDUCT

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

As Managing Director & CEO of GIC Housing Finance Ltd., and as required under SEBI Listing Regulations of the Stock Exchanges in India, I hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the financial year 2017-18

For and on behalf of the Board of Directors

Sd/-

Place : Mumbai
Date : 24.04.2018

S. Gopakumar
Managing Director & CEO

CEO/CFO CERTIFICATION

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

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31/3/2018 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31/3/2018, which are fraudulent, illegal or violative of the Company's code of conduct, except the fraudulent transactions if any as reported to the Board in individual loans.
- c) We accept responsibility for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company and disclosed to the auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which we are aware and the steps taken or proposed to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - i. significant changes in the internal control during the year ended 31/3/2018
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and on behalf of the Board of Directors

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

Place: Mumbai
Date: 24.04.2018

For and on behalf of the Board of Directors

Sd/-
S. Gopakumar
Managing Director & CEO

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members,

GIC Housing Finance Limited

We have examined the compliance of conditions of corporate governance by GIC Housing Finance Limited (“the Company”), for the year ended on March 31, 2018, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with stock exchange(s).

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

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

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

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

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662

Place: Mumbai
Date: 24.04.2018



INDEPENDENT AUDITORS' REPORT

To the Members of GIC Housing Finance Limited

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

INDEPENDENT AUDITORS' REPORT

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act.
 - f) With respect to adequacy of the internal financial controls with reference to financial statement of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 24(2) to the financial statements.
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2018.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Manish Sampat
Partner
Membership No. 101684

Place: Mumbai
Date: April 24, 2018

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification are not material and have been properly dealt with in the books of accounts. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii) of the said Order are not applicable to the Company.
- iii) According to the information and explanations given to us, during the year the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provision of Clause 3(iii)(a) of the said order is not applicable to the Company.
- (b) In case of the Housing loan granted in the earlier financial year to a party listed in the register maintained under Section 189 of the Act, the borrower is regular in the payment of the principal and interest as stipulated.
- (c) There is no overdue amount for more than ninety days in respect of the Housing loan granted in the earlier financial year to a party listed in the register maintained under Section 189 of the Act.
- iv) The Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 and 186 of the Act. Consequently, requirements of clause (iv) of paragraph 3 of the order are not applicable.
- v) According to the information and explanations given to us, Company has not accepted any deposits to which directives of National Housing Bank and provisions of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder apply. Accordingly, the provisions of clause 3(v) of the said Order are not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, Employee's State Insurance, income-tax, sales tax, value added tax, cess, duty of customs, service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii) According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, National Housing Bank or debenture holders during the year.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

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

Place: Mumbai
 Date: April 24, 2018

Manish Sampat
 Partner
 Membership No. 101684



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

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

We have audited the internal financial controls with reference to financial statements of GIC Housing Finance Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to financial statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 with reference to financial statements. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements , 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Manish Sampat
Partner
Membership No. 101684

Place: Mumbai
Date: April 24, 2018



NHB COMPLIANCE REPORT

To
The Board of Directors,
GIC Housing Finance Limited,
National Insurance Bldg., 6th Floor,
14, Jamshedji Tata Road, Churchgate,
Mumbai - 400020

Dear Sir,

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

Pursuant to the Paragraph 2 of the Housing Finance Companies - Auditor's Report (National Housing Bank) Directions, 2016 ("the Auditor's Report Directions"), we have examined the matters specified in the Paragraph 3 of these Directions in respect of GIC Housing Finance Ltd. ("the Company") for the year ended March 31, 2018.

Management's Responsibility

The Management of the Company is responsible for compliance with the extant Housing Finance Companies (NHB) Directions, 2010 ("the Directions") on an ongoing basis and reporting non-compliance, if any, to the regulatory authority, Board of the company and its Audit committee. This responsibility also includes (a) creation and maintenance of proper accounting and other records (b) the design, implementation and maintenance of adequate internal procedures / systems / processes / controls relevant to the creation and maintenance of the aforesaid records. Further, this responsibility includes ensuring that the relevant records provided to us for our examination are correct and complete.

Auditors' Responsibility

Our responsibility is to report on the matters specified in Paragraph 3 of Housing Finance Companies - Auditors Report (National Housing Bank) Directions, 2016 based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI), specified under sub-section 10 of Section 143 of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether there are any identified non-compliances.

An audit involves performing procedures to obtain audit evidence about the compliance with the NHB Directions. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the information and records, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Company's compliance with the NHB Directions in order to design audit procedures that are appropriate in the circumstances. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our certificate.

We conducted our examination in accordance with the Guidance Note on Audit Reports or Certificates for Special Purpose issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) -1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Conclusion

Based on the examination of the books of account and relevant records of the Company and audit procedures and such checks as considered appropriate by us and taking into consideration the information & explanations provided to us by the Company officials, we report that:

- i. The company had applied for registration as required under Section 29A of the National Housing Bank Act, 1987 ("the Act") and has been granted the Certificate of Registration dated 7th May 2002.
- ii. The Company has complied with Net Owned Fund (NOF) requirement as prescribed under Section 29A of the Act.
- iii. The Company has complied with Section 29C of the Act.
- iv. The Company has passed a resolution dated April 24, 2018 for non-acceptance of any public deposits.
- v. The Company has not accepted any public deposits during the year.
- vi. Total borrowings of the company i.e. amounts held by the Company which are referred in clauses (iii) to (vii) of sub-section 9(bb) of Section 45 I of the Reserve Bank of India Act, 1934 (2 of 1934) as also loans or other assistance from the National Housing Bank are within the limits prescribed in the NHB Directions.
- vii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that the Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in the Directions.
- viii. The capital adequacy ratio as disclosed in the Schedule II return submitted to the National Housing Bank in terms of the Directions has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio (CRAR) prescribed therein.
- ix. The Company furnished to the National Housing Bank within the stipulated period the Schedule II return as specified in the Directions.
- x. The Company has furnished to the National Housing Bank within the stipulated period the Schedule III return on Statutory Liquid Assets as specified in the Directions.
- xi. The Company has generally complied with requirements with respect to opening of new branches/service offices as specified under the National Housing Bank Directions.
- xii. The Company has complied with Para 38 & Para 38A of Housing Finance Companies (NHB) Directions, 2010.

Restriction of use

This report has been issued pursuant to the requirement as per Paragraph 2 of the Auditor's Report Directions. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/W-100036

Manish Sampat
Partner
Membership No. 101684

Place: Mumbai
Date: April 24, 2018



BALANCE SHEET as at 31st March 2018

₹ in Lakhs

	NOTE	As at 31.03.2018	As at 31.03.2017
I. EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	5,388	5,388
Reserves and Surplus	3	93,636	78,434
		99,024	83,822
NON-CURRENT LIABILITIES			
Long-Term Borrowings	4	7,65,122	6,48,161
Long-Term Provisions	5	31,152	25,157
Deferred Tax Liabilities (Net)	12	2,580	3,290
		7,98,854	6,76,608
CURRENT LIABILITIES			
Short-Term Borrowings	6	89,286	89,738
Trade Payables :	7		
- Dues to Micro and Small Enterprises		4	-
- Dues to Others		615	577
Other Current Liabilities :	8		
- Borrowings		1,43,999	85,785
- Others		3,090	2,976
Short-Term Provisions	9	596	943
		2,37,590	1,80,019
TOTAL		11,35,468	9,40,449
II. ASSETS			
NON-CURRENT ASSETS			
Property, Plant & Equipment	10a	207	230
Intangible Assets	10b	-	-
		207	230
Non-Current Investments	11	2,647	2,647
Long-Term Loans and Advances	13	1,769	2,034
		4,416	4,681
LOANS	14		
Non Current		10,75,186	8,88,533
Current		48,320	39,156
		11,23,506	9,27,689
CURRENT ASSETS			
Trade Receivables	15	1,269	1,327
Cash and Bank Balances	16	5,735	6,211
Short-Term Loans and Advances	17	335	311
		7,339	7,849
TOTAL		11,35,468	9,40,449

Significant Accounting Policies

Notes forming part of Accounts

As per our Report attached of even date

CNK & Associates LLP

Chartered Accountants

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

Manish Sampat

Partner

Membership No. 101684

Alice G. Vaidyan

Chairperson

DIN: 07394437

S. Gopakumar

Managing Director & CEO

DIN: 07542356

S. Sridharan

Chief Financial Officer

(Sr. Vice President & Company Secretary)

Place: Mumbai

Date: 24th April, 2018

STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2018

₹ in Lakhs

	NOTE	For the year ended 31.03.2018	For the year ended 31.03.2017
REVENUE:			
Revenue from Operations			
(a) Interest Income	18	1,09,920	98,004
(b) Other Financial Services	19	2,717	2,017
Other Income	20	203	153
Total Revenue	(A)	1,12,840	1,00,174
EXPENDITURE:			
Finance Cost	21	71,276	66,784
Employee Benefits Expenses	22	2,900	2,595
Depreciation and Amortisation	10	64	70
Other Expenses	23	5,285	4,675
Provision for loans		6,132	3,340
Total Expenditure	(B)	85,657	77,464
PROFIT BEFORE TAX	(A-B)	27,183	22,710
Less: Tax Expense			
- Current Tax		9,450	7,635
- Deferred Tax		(710)	302
PROFIT AFTER TAX		18,443	14,773
Earnings Per Share-(Basic & Diluted) face value of ₹ 10 each		34.25	27.43
Refer Point no.8 of Note no. 24 (Notes forming part of Accounts)		34.25	27.43
Significant Accounting Policies	1		
Notes forming part of Accounts	24		

As per our Report attached of even date

For and on behalf of the Board of Directors

CNK & Associates LLP

Chartered Accountants

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

Manish Sampat

Partner

Membership No. 101684

Alice G. Vaidyan

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DIN: 07394437

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Managing Director & CEO

DIN: 07542356

S. Sridharan

Chief Financial Officer

(Sr. Vice President & Company Secretary)

Place: Mumbai

Date: 24th April, 2018



CASH FLOW STATEMENT for the year ended as at 31st March 2018

₹ in Lakhs

	For the year ended 31.03.2018	For the year ended 31.03.2017
A. Cash Flow From Operating Activities :		
Net Profit Before Tax & Extraordinary Items	27,183	22,710
Adjustments For :		
Depreciation And Amortisation	64	70
Provision For Non Performing Assets & Contingencies	6,132	3,340
Interest Income	(1,09,920)	(98,004)
Interest Expenses	71,276	66,784
(Profit)/Loss On Sale Of Fixed Assets (Net)	0	(1)
(Profit)/Loss On Sale Of Investments	(196)	(151)
Operating Profit Before Working Capital Changes	(5,461)	(5,252)
Adjustments For :		
(Increase)/Decrease In Long Term Loans And Advances	433	(647)
(Increase)/Decrease In Bank Deposits Having Maturity Of More Than 3 Months	(15)	(17)
(Increase)/Decrease In Short Term Loans And Advances	(24)	(5)
Increase/(Decrease) In Long Term Provisions	(136)	2
Increase/(Decrease) In Short Term Provisions	(347)	368
Increase/(Decrease) In Trade Payables	42	(91)
Increase/(Decrease) In Other Current Liabilities	115	421
Operating Profit After Working Capital Changes	(5,393)	(5,221)
Adjustments For :		
(Increase)/Decrease Housing Loans	(1,95,818)	(1,36,463)
Cash Generated From Operating Activity	(2,01,211)	(1,41,684)
Interest Received	1,09,977	97,890
Interest Paid	(71,277)	(66,784)
Taxes Paid	(9,617)	(7,201)
Net Cash Generated From Operating Activity (A)	(1,72,128)	(1,17,779)
B Cash Flow From Investment Activities		
Acquisition of Fixed Assets	(48)	(89)
Sale of Fixed Assets	7	6
Purchase Of Investments	(7,60,238)	(5,45,601)
Sale Of Investments	7,60,434	5,44,084
Net Cash Generated From Investing Activity (B)	155	(1,600)

CASH FLOW STATEMENT for the year ended as at 31st March 2018

₹ in Lakhs

	For the year ended 31.03.2018	For the year ended 31.03.2017
C Cash Flow From Financing Activities		
Long Term Loans taken during the year	2,79,771	4,23,875
Long Term Loans paid during the year	(1,04,597)	(3,28,178)
Short Term Loans taken during the year	6,06,972	5,18,028
Short Term Loans paid during the year	(6,07,424)	(4,90,145)
Dividend Paid On Equity Shares	(2,693)	(2,693)
Dividend Distribution Tax paid	(548)	(548)
Net Cash Generated From Financing Activity (C)	1,71,481	1,20,339
Net Increase/(Decrease) of Cash and Cash Equivalents (A+B+C)	(492)	960
Cash & Cash Equivalents As At Beginning of the year	5,997	5,037
Cash & Cash Equivalents As At The End of the year	5,505	5,997
Components of Cash and Cash Equivalents		
Cash On Hand	83	42
Remittances In Transit	188	90
Balance With Bank		
- On Current Accounts	5,109	5,745
- On Unpaid Dividend Account (Refer Note Below)	125	120
	5,505	5,997

Note: Balance available in Unpaid Dividend Accounts is not available for use by the Company

As per our Report attached of even date

CNK & Associates LLP

Chartered Accountants

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

Manish Sampat

Partner

Membership No. 101684

Alice G. Vaidyan

Chairperson

DIN: 07394437

For and on behalf of the Board of Directors

S. Gopakumar

Managing Director & CEO

DIN: 07542356

S. Sridharan

Chief Financial Officer

(Sr. Vice President & Company Secretary)

Place: Mumbai

Date: 24th April, 2018

SIGNIFICANT ACCOUNTING POLICIES:

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES:

i. Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention on accrual basis of accounting and in accordance with accounting principles generally accepted in India. The financial statements comply in all material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the Act), read with amendment rules and relevant provisions of the Companies Act, 2013, National Housing Bank Act, 1987 and the Housing Finance Companies (NHB) Directions, 2010 as amended.

Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.

ii. Presentation and Disclosure of Financial Statements:

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

iii. Use of Estimates:

The preparation of financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known / materialize. Any revision to accounting estimates is recognized prospectively in the current and future period.

1. REVENUE RECOGNITION:

a) INCOME ON LOANS:

- i. Repayment of loans is by way of Equated Monthly Installments (EMI) comprising principal and interest. Interest is calculated on the outstanding loan balance at the beginning of every month. EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, Pre-EMI interest is payable every month.
- ii. Interest income is recognized on accrual basis, except in case of Non- performing Asset (NPA) where in Interest Income is recognized on receipt basis, following the directives/guidelines laid down by National Housing Bank (NHB).
- iii. Fees income, Penal Interest and other charges are recognized on receipt basis.

b) INVESTMENT INCOME :

- i. Dividend and interest income:
Dividend income is recognized when the unconditional right to receive the income is established. Income from interest on deposits and interest bearing securities is recognized on the time proportionate method taking into account the amount outstanding and the rate applicable.
- ii. Income on Investments which are classified as Non - performing is recognized only on realization following the directives/guidelines laid down by NHB.

SIGNIFICANT ACCOUNTING POLICIES:

2. CASH AND CASH EQUIVALENT:

For purpose of the Cash Flow Statement, Cash comprises Cash in Hand, Balance with Banks and Demand Deposits with Banks.

3. CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, where by net profit before tax 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 item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

4. PROPERTY, PLANT AND EQUIPMENT:

Property, Plant and Equipment are stated at cost of acquisition or construction, inclusive of expenses incidental thereto, less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to an item of Property, Plant and Equipment is capitalized only when it is probable the future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

The Company depreciates property, plant and equipment over the estimated useful life of the Assets using reducing balance method. The estimated useful life of the assets is as prescribed under Schedule II to the Companies Act, 2013. Assets costing up to ₹ 5000 are fully depreciated in the year of acquisition.

The Depreciation method, useful life, and residual value are reviewed periodically, including at each financial year end. The cost and related accumulated depreciation are eliminated from the financial statement upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of Profit and Loss.

5. INTANGIBLE ASSETS AND AMORTIZATION:

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the enterprise and the cost of asset can be measured reliably. Intangible assets are stated at acquisition cost, net off accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on straight line basis over their estimated useful life.

The amortization period and the amortization method are reviewed at least at each financial year end. If expected life of asset is significantly different from previous estimates the amortization period is changed accordingly. Computer Application Software is amortized over the period of 3 years on straight line basis or useful life, whichever is shorter.

6. IMPAIRMENT OF ASSETS:

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset [tangible and intangible] is impaired. If any such indication exists, an estimate of the recoverable amount of the asset is made. Assets whose carrying value exceeds the recoverable amount are written down to the recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

SIGNIFICANT ACCOUNTING POLICIES:

7. INVESTMENTS:

Investments are classified into current and noncurrent investments.

In accordance with the Guidelines issued by National Housing Bank (NHB), current investments are carried at lower of cost and fair value. Long term investments are carried at cost. However, provision for diminution in value of long term investments is made to recognize decline, other than temporary, on an individual investment basis.

Unquoted investments in the units of mutual funds in the nature of current investments are carried at lower of cost and the net asset value declared by mutual funds in respect of each particular scheme.

8. PROVISIONING FOR LOANS AND INVESTMENTS:

- i. Loans are classified into “Performing” and “Non-Performing” assets in terms of guidelines/ directions laid down/ given by the National Housing Bank (NHB). Loans are further classified as standard, sub-standard, doubtful and loss assets.
- ii. Provisions for performing assets and non-performing assets and investments are made on a periodic review which is in compliance with the directives /guidelines laid down by the National Housing Bank (NHB).

9. EMPLOYEE BENEFITS:

Defined contribution plan:

Defined contribution plans include contributions to Employees’ Pension Scheme, Employee State Insurance Scheme and Employees’ Deposit Linked Insurance scheme, recognized as employee benefit expenses in the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans:

The Company has defined benefit plans namely - provident fund plan, leave encashment plan and gratuity plan, the calculation of which is performed annually by a qualified actuary using the projected unit credit method, and incremental liability, if any, is provided in the books. Actuarial gains/ losses comprising of experience adjustment and the effects of changes in actuarial assumptions are recognized as income or expense (as applicable) in the Statement of Profit and Loss.

The Company has formed a Provident Fund Trust for all employees and the same is administered by the trustees. For the purpose of gratuity, the Company has obtained a qualifying group gratuity insurance policy from Life Insurance Corporation of India.

Short Term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, and performance incentive paid annual leave, bonus, leave travel assistance, medical allowance, contribution to provident fund and superannuation etc. recognized as actual amounts due in period in which the employee renders the related services.

10. SEGMENT REPORTING:

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

SIGNIFICANT ACCOUNTING POLICIES:

11. LEASES:

Assets acquired on lease where significant portions of the risk and rewards incidental to the ownership are retained by the lessors are classified as operating leases. Rental expenses on assets obtained under operating lease arrangements are recognized on a straight line basis as expense in the Statement of Profit and Loss over the lease term of respective lease arrangement.

12. EARNINGS PER SHARE:

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

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

13. TAXATION:

Tax expense comprises of current and deferred tax charge or credit.

Current Tax is determined as the amount of income tax payable to the taxation authorities in respect of taxable income for the period.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. A deferred tax asset are reviewed at each balance sheet date and is written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

14. PROVISIONS AND CONTINGENCIES:

Provisions are recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that the cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognized nor disclosed.

**NOTES TO THE FINANCIAL STATEMENTS** for the year ended as at 31st March, 2018**NOTE 2**

₹ in Lakhs

SHARE CAPITAL	As at 31.03.2018	As at 31.03.2017
AUTHORISED CAPITAL :		
Equity Shares		
15,00,00,000 Equity shares of ₹ 10 each	15,000	15,000
(Previous Year 15,00,00,000 Equity shares of ₹ 10 each)	15,000	15,000
ISSUED, SUBSCRIBED & PAID UP:		
5,38,51,066 Equity shares of ₹ 10 each	5,385	5,385
(Previous Year 5,38,51,066 Equity Shares of ₹ 10 each)		
Forfeited Shares (Refer Note 2.4)	3	3
TOTAL	5,388	5,388

Note 2.1:

Reconciliation of the number of shares outstanding:

Particulars	As at 31.03.2018		As at 31.03.2017	
	No of Shares	Amount (₹ in Lakhs)	No of Shares	Amount (₹ in Lakhs)
Shares outstanding at the beginning of the year	5,38,51,066	5,385	5,38,51,066	5,385
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,38,51,066	5,385	5,38,51,066	5,385

Note 2.2:**Terms/ Rights attached to equity shares**

The company has only one class of Equity shares having par value of ₹ 10 each.

Each holder of equity shares is entitled to one vote per share.

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

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

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

Note 2.3:**Details of Shareholders holding more than 5% shares in Company**

₹ in Lakhs

Name of Shareholder	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	% of Holding held	No. of Shares	% of Holding held
General Insurance Corporation of India	82,18,802	15.26	82,18,802	15.26
The New India Assurance Company Limited	45,94,204	8.53	45,94,204	8.53
United India Insurance Company Limited	39,56,000	7.35	39,56,000	7.35
Life Insurance Corporation of India	30,50,250	5.66	-	-
The Oriental Insurance Company Limited	29,75,024	5.52	29,75,024	5.52
National Insurance Company Limited	29,57,098	5.49	29,57,098	5.49

Note 2.4 : The Company has forfeited 53,800 Equity Shares on which amount originally paid up is ₹ 2,69,000

NOTES TO THE FINANCIAL STATEMENTS

for the year ended as at 31st March, 2018

NOTE 3

₹ in Lakhs

RESERVES AND SURPLUS	As at 31.03.2018	As at 31.03.2017
SECURITIES PREMIUM :		
Balance at the beginning of the year	11,699	11,699
Add : Transferred during the year	-	-
	11,699	11,699
SPECIAL RESERVE :		
1. In terms of Section 29C(1) of the National Housing Bank Act, 1987		
Balance at the beginning of the year	456	456
Add : Transferred during the year	-	-
	456	456
2. In terms of Section 36(1)(viii) of the Income tax Act, 1961)		
Balance at the beginning of the year	34,308	30,103
Add : Transferred during the year	5,190	4,205
	39,498	34,308
GENERAL RESERVE :		
Balance at the beginning of the year	28,727	25,528
Add : Transferred during the year	9,680	7,330
Less : utilised for creation of DTL on opening balances of Special Reserve U/S 36(1)(viii) of Income Tax Act, 1961. (Refer Point no.9 of Note no.24 (Notes forming part of Accounts)	-	4,131
	38,407	28,727
SURPLUS IN STATEMENT OF PROFIT AND LOSS		
Balance at the beginning of the year	3,244	6
Add : Net Profit for the year	18,443	14,773
Amount available for Appropriation	21,687	14,779
Appropriations :		
- Amount Transferred to General Reserve	9,680	7,330
- Amount Transferred to Special Reserve	5,190	4,205
- Dividend paid for the F.Y. 2016-17	2,693	-
- Dividend Distribution Tax	548	-
Net Surplus	3,576	3,244
TOTAL	93,636	78,434

Note 3.1 :

- a) As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer atleast 20% of its Net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer.
- b) The Company has transferred an amount of ₹ 5,190 Lakhs (Previous Year ₹ 4,205 Lakhs) to Special Reserve in terms of Section 36(1)(viii) of the Income Tax Act, 1961.

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE - 4

₹ in Lakhs

LONG TERM BORROWINGS	As at 31.03.2018		As at 31.03.2017	
	Non Current	Current	Non Current	Current
Secured :				
(a) Non Convertible Debentures (Refer Note - 4.1)	-	4,500	4,500	-
(b) Term Loan (Refer Note- 4.2)				
From Banks	5,01,849	1,06,245	3,96,898	54,236
From Insurance Companies	8,000	1,000	9,000	1,000
National Housing Bank	2,55,273	32,254	2,37,763	30,549
Security :				
i) Term loans are secured by way of first charge book-debts equivalent to outstanding loan balance.				
ii) Unless otherwise stated, loans are linked to MCLR rate of the respective bank.				
	7,65,122	1,43,999	6,48,161	85,785

Note- 4.1:

The NCD are redeemable at par. The NCD are secured by way of first charge on book-debts equivalent to loan outstanding and mortgage on immovable property. The NCD are redeemable on April 23, 2018.

The details of Non Convertible Redeemable Debentures (NCD) are as under:

₹ in Lakhs

Description - Current Year	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at 31st MARCH 2018
Non Current:-				
450 NCD's of ₹ 10,00,000 each	23-April-2018	8.65% p.a.	-	4,500
Description - Previous Year	Date of Redemption	Rate of Interest	Earliest Put/ Call Option Date	As at 31st MARCH 2017
Non Current:-				
450 NCD's of ₹ 10,00,000 each	23- April -2018	8.65% p.a.	-	4,500

Note -4.2:

Maturity Profile of Term Loans

₹ in Lakhs

Description	As at 31.03.2018				As at 31.03.2017			
	Banks ROI 7.70% - 8.45%	Insurance Companies ROI 7.75%	ROI- 7.80%	National Housing Bank ROI 4.86% to 9.15%	Banks ROI 8.10% - 9.15%	Insurance Companies ROI 9.00%	ROI 7.85%	National Housing Bank ROI 6.00% to 9.90%
Non - Current:								
Over 1 year to 3 years	2,50,500	1,000	1,750	75,903	1,65,133	2,000	875	71,432
Over 3 to 5 years	1,91,866	-	1,750	69,338	1,37,940	-	1,750	56,315
Over 5 to 7 years	45,558	-	1,750	68,158	70,342	-	1,750	55,948
Over 7 Years	13,925	-	1,750	41,874	23,483	-	2,625	54,068
Total	5,01,849	1,000	7,000	2,55,273	3,96,898	2,000	7,000	2,37,763

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE 5

₹ in Lakhs

LONG-TERM PROVISIONS	As at 31.03.2018	As at 31.03.2017
Provision For Employee Benefits:		
- Leave Encashment (Unfunded)	332	305
- Gratuity (Funded)	225	154
Other Provisions:		
(a) Provision for Housing Loans (Refer Point no. 12 (XVI) of Note no.24 (Notes forming part of Accounts))	29,616	23,719
(b) Provision for Investments (Refer Point no. 12 (III) of Note no.24 (Notes forming part of Accounts))	979	979
TOTAL	31,152	25,157

NOTE 6

₹ in Lakhs

SHORT-TERM BORROWINGS	As at 31.03.2018	As at 31.03.2017
UNSECURED LOANS :		
Short Term Loans From Banks	-	10,400
Commercial Papers (CPs) Gross	90,000	80,000
Less : Discount not written off	714	662
	89,286	79,338
TOTAL	89,286	89,738

NOTE 7

₹ in Lakhs

TRADE PAYABLES	As at 31.03.2018	As at 31.03.2017
Trade Payables (For Expenses)		
a) Total Outstanding dues of micro enterprises and small enterprises	4	-
b) Total Outstanding dues of creditors other than micro enterprise and small enterprise (Refer Point no. 13 of Note no.24 (Notes forming part of Accounts))	615	577
TOTAL	619	577

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE 8

₹ in Lakhs

OTHER CURRENT LIABILITIES	As at 31.03.2018	As at 31.03.2017
Other Liabilities: (Borrowings)		
Current maturities of Secured Long Term Borrowings		
- From Banks	1,06,245	54,236
- From National Housing Bank	32,254	30,549
- From Insurance Companies	1,000	1,000
- From Non Convertible Debentures (Refer Note 8.1)	4,500	-
Sub Total	1,43,999	85,785
Other Liabilities: (Others)		
(a) Interest Accrued But Not Due	365	366
(b) Unpaid Dividend (Refer Note 8.2)	125	120
(c) Others		
- Trade Liabilities	2,497	2,424
- Staff Dues	-	0
- Statutory Dues	103	66
Sub Total	3,090	2,976
TOTAL	1,47,089	88,761

Note 8.1 :

For Non Current portion of Secured Long Term Borrowings Refer Note 4

Note 8.2 :

The Company has transferred ₹ 12.66 Lakhs (Previous Year ₹ 10.88 Lakhs) to Investor Education and Protection Fund during the year.

NOTE 9

₹ in Lakhs

SHORT TERM PROVISIONS	As at 31.03.2018	As at 31.03.2017
Provision For Employee Benefits:		
- Leave Encashment (unfunded)	31	57
- Gratuity (funded)	143	133
Other Provisions:		
- Provision for Housing Loans (Refer Point no.12(xvi) of Note no. 24 (Notes forming part of Accounts))	422	188
- Provision for Tax (Net of Tax Payments)	-	565
- Proposed dividend (Refer Note No. 9.1)	-	-
- Dividend Distribution Act (Refer Note No. 9.1)	-	-
TOTAL	596	943

Note 9.1 :

According to the amended Companies (Accounting Standard) Rules, 2016, the proposed dividend of ₹ 2,962 Lakhs (Previous Year ₹ 2,693 Lakhs) and dividend distribution tax thereon of ₹ 609 Lakhs (Previous Year ₹ 548 Lakhs) are not recognised as liability as at March 31, 2018. However, the same will be recognised as liability on approval of shareholders at ensuing Annual General Meeting. Due to such change, Current liability is lower by ₹ 3,571 Lakhs (Previous Year ₹ 3,241 Lakhs) and Reserves & Surplus is higher to that extent.

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE 10a

₹ in Lakhs

PROPERTY, PLANT & EQUIPMENT

(Previous Year Figures are in Bracket)

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1.04.2017	Additions	Deductions/ Adjustments	As at 31.03.2018	As at 1.04.2017	For the year	Deductions/ Adjustments	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Buildings (Refer note 10.1)	263	-	-	263	179	4	-	183	80	84
	(263)			(263)	(175)	(4)	-	(179)	(84)	(88)
Furniture and Fittings	210	2	-	212	189	6	-	195	17	21
	(229)	(7)	(26)	(210)	(201)	(13)	(25)	(189)	(21)	(28)
Office Equipment	143	1	-	144	130	3	-	133	11	13
	(153)	(4)	(14)	(143)	(137)	(7)	(14)	(130)	(13)	(16)
Air Conditioners	87	2	-	89	71	8	-	79	10	16
	(88)	(4)	(5)	(87)	(65)	(11)	(5)	(71)	(16)	(23)
Computers	503	22	2	523	455	24	2	477	46	48
	(483)	(33)	(13)	(503)	(445)	(23)	(13)	(455)	(48)	(38)
Vehicles	103	20	35	88	55	19	29	45	43	48
	(84)	(40)	(21)	(103)	(61)	(12)	(18)	(55)	(48)	(23)
Current Year	1,309	47	37	1,319	1,079	64	31	1,112	207	230
Previous Year	(1,300)	(88)	(79)	(1,309)	(1,084)	(70)	(75)	(1,079)	(230)	(216)

NOTE 10b

INTANGIBLE ASSETS

	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at 1.04.2017	Additions	Deductions/ Adjustments	As at 31.03.2018	As at 1.04.2017	For the year	Deductions/ Adjustments	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Application Software	292	-	-	292	292	-	-	292	-	-
	(292)	-	-	(292)	(292)	-	0	(292)	-	-
Current Year	292	-	-	292	292	-	-	292	-	-
Previous Year	(292)	-	-	(292)	(292)	-	-	(292)	-	-
TOTAL I +II C.Y.	1,601	47	37	1,611	1,371	64	31	1,404	207	230
TOTAL I +II P.Y.	(1,592)	(88)	(79)	(1,601)	(1,376)	(70)	(75)	(1,371)	(230)	(216)

Note 10.1 :

The Company has pledged one of its residential flat located at Mumbai, as collateral security against the Non convertible Debentures aggregating to ₹ 4,500 Lakhs.



NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE 11

₹ in Lakhs

NON-CURRENT INVESTMENTS	Face Value ₹	No.	As at 31.03.2018	As at 31.03.2017
(1) NON-TRADE INVESTMENTS (UNQUOTED)				
(Valued at cost unless stated otherwise)				
Equity Shares			1,697	1,697
(Refer Note 11.1 below)				
Redeemable Preference Shares			950	950
(Refer Note 11.1 below)				
TOTAL			2,647	2,647

Note 11.1 :

₹ in Lakhs

NON-CURRENT INVESTMENTS	Face Value ₹	No.	As at 31.03.2018	As at 31.03.2017
(a) Equity shares :				
GIC Asset Management Co.Ltd.	1.35	20,99,996	29	29
LIC MF Asset Management Co.Ltd.	10,000	1,287	1,666	1,666
LIC MF Trustee Co. Pvt. Ltd.	10	1,570	1	1
The Janakalyan Co-op Bank Ltd.	10	5,000	0.50	0.50
The Kalyan Janata Co-op Bank Ltd.	25	2,000	0.50	0.50
Total Equity Shares			1,697	1,697
(b) Redeemable Preference Shares :				
15.5% NEPC MICON Ltd	10	5,00,000	50	50
14.5% Vitara Chemicals Ltd	100	2,00,000	200	200
16% Modern Threads Ltd	100	1,00,000	100	100
16% Premier Housing & Industrial Enterprises Ltd	100	2,00,000	200	200
15% Electrex India Ltd	100	2,00,000	200	200
16% Ace Laboratories Ltd.	100	2,00,000	200	200
Total Redeemable Preference Shares			950	950
(c) Aggregate amount of Quoted Investments				
Market value of Quoted Investments			-	-
Aggregate amount of Unquoted Investments			2,647	2,647

(d) The Company is carrying aggregate provision for dimution in the value of investments of ₹ 979 Lakhs (Previous year ₹ 979 Lakhs) (Refer Point no.12 (III) of Note no. 24 (Notes forming part of Accounts))

NOTE 12

₹ in Lakhs

DEFERRED TAX ASSETS (NET)	As at 31.03.2018	As at 31.03.2017
(Refer Point no.9 of Note no.24 (Notes forming part of Accounts))		
Deferred Tax Assets	11,222	8,582
Deferred Tax Liabilities	13,802	11,872
Deferred Tax Assets (Net)	(2,580)	(3,290)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended as at 31st March, 2018

NOTE 13

₹ in Lakhs

LONG TERM LOANS AND ADVANCES	As at 31.03.2018	As at 31.03.2017
(a) Security Deposits (Unsecured and considered good)	258	235
(b) Advances Recoverable in cash or kind Loans to staff (Secured considered good)	924	789
(c) Advance tax and tax deducted at source (Net of Provision for Tax)	573	982
(d) Prepaid Expenses	14	28
TOTAL	1,769	2,034

NOTE 14

₹ in Lakhs

LOANS :	As at 31.03.2018	As at 31.03.2017
LOANS :		
(Secured, Refer Point no.1 & 11 of Note no.24 (Notes forming part of Accounts)		
A NON CURRENT :		
- Individuals	10,74,851	8,88,093
- Non Individuals	335	440
TOTAL (A)	10,75,186	8,88,533
B CURRENT (Repayable within one year)		
- Individuals	48,320	39,156
- Non Individuals	-	-
TOTAL (B)	48,320	39,156
TOTAL (A)+(B)	11,23,506	9,27,689

NOTE 15

₹ in Lakhs

TRADE RECEIVABLES	As at 31.03.2018	As at 31.03.2017
Accrued Interest on Housing Loans (Secured, considered good)	1,188	1,238
Others (Secured, considered good)	81	89
TOTAL	1,269	1,327



NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE 16

₹ in Lakhs

CASH AND BANK BALANCES	As at 31.03.2018	As at 31.03.2017
Cash and cash equivalents :		
a) Balances with Banks		
- On Current Account	5,109	5,745
- On Unpaid Dividend	125	120
	5,234	5,865
b) Cash on Hand	83	42
c) Remittances in transit	188	90
Other Bank Balances	230	214
- Deposits with original Maturity for more than 3 months but less than 12 months		
TOTAL	5,735	6,211

NOTE 17

₹ in Lakhs

SHORT-TERM LOANS AND ADVANCES	As at 31.03.2018	As at 31.03.2017
(i) Staff Loans Receivable within Year(Secured)	41	31
(ii) Advances recoverable in cash or in kind or for value to be received	173	144
(iii) Advance Tax (Net of Provision)	11	-
(iv) Advances to Employees	6	6
(v) Prepaid Expenses	104	130
TOTAL	335	311

NOTE 18

₹ in Lakhs

INTEREST INCOME	Year Ended 31.03.2018	Year Ended 31.03.2017
Interest on Loans	1,09,920	98,004
TOTAL	1,09,920	98,004

NOTE 19

₹ in Lakhs

OTHER FINANCIAL SERVICES	Year Ended 31.03.2018	Year Ended 31.03.2017
(a) Fees and Other Charges	2,552	2,005
(b) Other Operating Income	165	12
TOTAL	2,717	2,017

NOTE 20

₹ in Lakhs

OTHER INCOME :	Year Ended 31.03.2018	Year Ended 31.03.2017
(a) Dividend	6	-
(b) Net Gain on sale of Investment : Current Investments	196	151
(c) Other Non Operating Income Miscellaneous Income	1	2
TOTAL	203	153

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE 21

₹ in Lakhs

FINANCE COST	Year Ended 31.03.2018	Year Ended 31.03.2017
INTEREST EXPENSES :		
On Term loans (Secured)	64,760	61,051
On NCDs (Secured)	389	389
On Term loans (Unsecured)	355	461
On Commercial Papers (Unsecured)	5,772	4,883
TOTAL	71,276	66,784

NOTE 22

₹ in Lakhs

EMPLOYEE BENEFITS EXPENSES :	Year Ended 31.03.2018	Year Ended 31.03.2017
Salaries	2,294	2,051
Company's Contribution to Provident and other Funds	379	282
Staff Welfare Expenses	227	262
TOTAL	2,900	2,595

NOTE 23

₹ in Lakhs

OTHER EXPENSES	Year Ended 31.03.2018	Year Ended 31.03.2017
Rent	703	655
Rates and Taxes	7	7
Repairs and Maintenance :		
Building	25	16
Others	353	325
	378	341
General Office Expenses	121	125
Insurance	220	175
Travelling and Conveyance	85	70
Printing and Stationery	82	71
Advertisement	99	164
Legal and Professional Fees	3,233	2,626
Directors Sitting Fees	12	9
Corporate Social Responsibility (CSR) Expenses	3	162
Miscellaneous Expenses	316	247
Auditor's Remuneration :		
Audit Fees	12	11
Tax Audit Fees	4	3
Fees for other services/limited review	10	9
	26	23
TOTAL	5,285	4,675



NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

NOTE 24

NOTES FORMING PART OF THE ACCOUNTS:

1. Housing Loans are secured by:

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

2. Contingent Liabilities:

- With respect to pending Income Tax disputes of ₹ 275 Lakhs (Previous Year - ₹ 277 Lakhs). The company has preferred appeal/s against the same and also has made payments under protest.
- Bank Guarantees:
 - ₹ 150 Lakhs given in favor of Kotak Mahindra Life Insurance Company Ltd. in lieu of premium deposit for “Kotak Term Group Plan” Policy contract to avail Term Group Plan cover for borrowers. (Previous Year - ₹ 75 Lakhs).
 - ₹ 100 Lakhs given in favor of Future Generali India Life Insurance Company Ltd. in lieu of premium deposit for “Future Generali Loan Suraksha Plan” policy contract to avail Credit Life Group Plan Cover for borrowers (Previous Year - ₹ 50 Lakhs).
 - ₹ 50 Lakhs given in favor of Aditya Birla Sun Life Insurance Company Ltd. in lieu of premium deposit for “Aditya Birla Sun Life Insurance Group Asset Assure Plan” policy contract to avail Credit Life Group Plan Cover for borrowers (Previous Year - ₹ 50 Lakhs)
- Housing Loans include loans amounting to ₹ 12,444 Lakhs (Previous Year ₹ 8,553 Lakhs) against which the company has taken possession (including symbolic possession) of the property under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and held such properties for disposal.

4. Employee Benefits:

Defined Contribution Plan:

The Company makes contribution to Employees’ Pension Scheme, 1995 for all employees and Employee State Insurance Scheme for all eligible employees. The Company has recognized ₹ 74 Lakhs (Previous year ₹ 21 Lakhs) for Employees’ Pension Scheme and ₹ NIL (Previous year ₹ 1 Lakhs) for Employee State Insurance Scheme in the Statement of Profit and Loss. The contributions payable by the Company are at rates specified in the rules of the schemes.

Defined Benefit Plans:

Provident Fund

An amount of ₹ 130 Lakhs (Previous year ₹ 167 Lakhs) has been charged to Statement of Profit and Loss on account of this defined benefit scheme.

Leave Encashment

An amount of ₹ 1 Lakhs (Previous year ₹ 24 Lakhs) has been charged to Statement of Profit and Loss for this benefit scheme during the year.

Gratuity Plan

Gratuity is payable to all the members at the rate of 15 days salary for each completed year of Service.

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

5. Disclosure in respect of Gratuity liability:

(₹ In Lakhs)

Particulars	Gratuity (Funded)	
	Year Ended 31.03.2018	Year Ended 31.03.2017
The major categories of plan assets as a percentage of total plan		
Qualifying Insurance Policy	100%	100%
Changes in the present value of the obligation		
1 Present Value of obligation at the beginning of the year	629	524
2 Interest Cost	48	42
3 Current Service Cost	56	48
4 Past Service Cost	106	-
5 Benefits Paid	(60)	(1)
6 Actuarial (gain)/loss on Obligation	(17)	16
7 Present Value of obligation at the end of the year	762	629
Reconciliation of Net Asset/(Liability) recognized in the Balance sheet during the year ended March 31, 2018		
1 Present Value of obligation at the end of the year	762	629
2 Fair value of plan Assets at the end of the year	393	342
3 Amount recognized as Liability	369	287
Changes in the Fair Value of Assets		
1 Fair value of plan Assets at beginning of the year	342	228
2 Expected Return on Plan assets	26	18
3 Contributions	84	94
4 Benefits Paid	(60)	(1)
5 Actuarial gain(loss) on Plan Assets	1	3
6 Fair value of Plan Assets at the end of the year	393	342
Profit & Loss - Expenses		
1 Current Service Cost	56	48
2 Interest Cost	48	42
3 Expected Return on Plan assets	(26)	(18)
4 Net Actuarial (gain) loss recognized in the year	(17)	13
5 Past Service Cost	106	-
6 Expenses recognized in the Statement of Profit & Loss	167	85
Actuarial Assumptions		
1 Discount Rate	7.86%	7.52%
2 Expected Rate of Return on Plan Assets	7.86%	7.52%
3 Expected Rate of Salary Increase	7%	7%
4 Attrition Rate	2%	2%
5 Mortality Post -retirement	Indian Assured Lives Mortality (2006-08)	

The estimate of future salary increase considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors such as demand and supply in the employment market.

Expected contribution to Gratuity Fund in next year aggregates to ₹ 263 Lakhs. (Previous Year ₹ 87 Lakhs)

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

Gratuity:

	(₹ In Lakhs)				
Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Present Value of Obligation at the end of year	762	629	524	421	253
Fair value of Plan Assets at the end of year	393	342	228	229	196
Surplus / (Deficit)	(369)	(287)	(296)	(192)	(57)

6. Segment Reporting:

The company's main business is to provide loans for the purchase or construction of residential units. Hence, there are no separate reportable segments as per Accounting Standard - 17 on Segment Reporting as specified under Sec. 133 of the Companies Act, 2013.

7. Leases:

Company has entered into agreements for taking on lease basis certain office premises. Lease payments recognized in the Statement of Profit and Loss for the year is ₹ 710 Lakhs (Previous Year ₹ 662 Lakhs).

Future lease rental obligation under non-cancellable leases:

- Not later than one year: ₹ 201 Lakhs (P.Y. ₹ 136 Lakhs)
- Later than one year and not later than five years. : ₹ 536 Lakhs (P.Y. ₹ 440 Lakhs)
- Later than five years. : ₹ 280 Lakhs (P.Y. ₹ 141 Lakhs)

8. Earnings Per Share:

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
Profit attributable to Equity Shareholders (₹ in Lakhs)	18,443	14,773
No. of Weighted Average Equity Shares Outstanding During the year (Basic & Diluted)	5,38,51,066	5,38,51,066
Nominal Value of Equity Shares (in ₹)	10	10
Basic Earnings per Share (in ₹) (Basic & Diluted)	34.25	27.43

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

9. Deferred tax Assets:

In compliance with the Accounting Standard - 22 relating to "Accounting for Taxes on Income" as specified under Sec. 133 of the Companies Act, 2013, the Company has released ₹ 710 Lakhs (Previous year charged ₹ 302 Lakhs) in the Statement of Profit and Loss during the current financial year.

Major components of deferred tax assets and liabilities are as follows:

Particulars	(₹ In Lakhs)	
	Year Ended 31.03.2018	Year Ended 31.03.2017
Deferred Tax Assets:		
Provision for Loans	10,497	8,274
Provision for Leave Encashment	127	125
Provision for Gratuity	129	99
Provision for Rent	40	39
Depreciation and Amortization	47	45
Adjustment to profit as per Provision of Income Computation and Disclosure Standards (ICDS)	382	--
Total	11,222	8,582
Deferred Tax Liability:		
Special Reserve created and maintained under Section 36(1) (viii) of the Income Tax Act, 1961	13,802	11,872
Total	13,802	11,872
Deferred Tax Asset/ (Liability) (net)	(2,580)	(3,290)

10. Details of Movement in Provisions:

Particulars	(₹ In Lakhs)			
	Opening as on 01.04.2017	Provision made during the year	Provision Reversed/ Adjusted during the year	Closing as on 31.03.2018
Non-Performing Assets	19,420	8,259	2,716	24,963
Standard Assets	4,444	589	--	5,033
Housing Loans under Differential Interest Rate	42	--	--	42
Investments	979	--	--	979
Taxation	36,291	9,450	--	45,741

Outflow in respect of above provisions; both timing & certainty would depend on developments/ Outcome of these events.

11. The Classification of Assets and Liabilities into Current and Non-Current is carried out based on their residual maturity profile as per the requirement of Schedule III to the Companies Act, 2013.

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

12. Disclosure as required by National Housing Bank (NHB):

The following disclosures have been given in terms of NHB'S Notification No.NHB.HFC.CG- DIR.1/MD&CEO/2016, dated 9th February, 2017 and in terms of the circular no. NHB/ND/DRS/Pol-No.35/2010-11 dated October 11, 2010:

I. Capital to Risk Assets Ratio (CRAR):

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	CRAR (%) **	16.17	16.60
ii)	CRAR - Tier I capital (%)	16.17	16.60
iii)	CRAR - Tier II Capital (%)	-	-
iv)	Amount of subordinated debt raised as Tier- II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

** According to the accounting standards specified under Sec. 133 of Companies Act, 2013, the proposed dividend of ₹ 2,962 Lakhs and dividend distribution tax thereon of ₹ 609 Lakhs are not recognized as liability as at 31st March, 2018 in the Financial Statements. However, the Company has reduced such proposed dividend and dividend distribution tax thereon, for determining capital funds for computing capital adequacy ratio as on 31st March, 2018.

II. Reserve fund u/s 29C of NHB Act, 1987:

		(₹ In Lakhs)	
Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
	Balance at the beginning of the year		
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	456	456
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	34,308	30,103
	Total (a + b)	34,764	30,559
	Addition / Appropriation / Withdrawal during the year		
	Add:		
a)	Amount transferred u/s 29C of the NHB Act, 1987	-	-
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	5,190	4,205
	Less:		
a)	Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b)	Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purposes of provision u/s 29C of the NHB Act, 1987	-	-
	Balance at the end of the year		
a)	Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	456	456
b)	Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	39,498	34,308
	Total (a + b)	39,954	34,764

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

III. Investments:

(₹ In Lakhs)

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
	Value of Investments		
i)	Gross Value of Investments		
a)	In India	2,647	2,647
b)	Outside India	-	-
ii)	Provisions for Depreciation		
a)	In India	979	979
b)	Outside India	-	-
iii)	Net Value of Investments		
a)	In India	1,668	1,668
b)	Outside India	-	-

Movement of Provisions held towards depreciation on investments

(₹ In Lakhs)

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
	Value of Investments		
i)	Opening balance	979	979
ii)	Add: Provisions made during the year	-	-
iii)	Less: Write-off/Written-back of excess provisions during the year	-	-
iv)	Closing Balance	979	979

IV. The Company has not entered into any of the following transactions;

- Derivative transaction,
- Securitization and assignment transaction,
- Transaction of purchase and / or sale of non-performing financial assets,
- Financing of parent company product, and
- Finance of any unsecured advances against intangible securities such as rights, licenses, authority etc. as collateral security.

Accordingly, disclosures required under para no 3.5. as per NHB Notification No.NHB.HFC.CG- DIR.1/ MD&CEO/2016, dated 9th February, 2017 are not applicable.

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

V. Asset Liability Management:

Assets & Liabilities are classified & disclosed as per the guidelines issued by the NHB.

Maturity pattern of certain items of assets and liabilities as at March 31, 2018:

(₹ In Lakhs)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market Borrowings	Foreign currency Liabilities	Advances*	Investments*	Foreign currency Assets
1 day to 30 days (one month)	-	-	38,786	-	3,831	-	-
Over one month to 2 months	-	-	40,000	-	3,848	-	-
Over 2 months to 3 months	-	4,910	15,000	-	3,866	-	-
Over 3 months to 6 months	-	69,179	-	-	11,721	-	-
Over 6 months to 1 year	-	65,409	-	-	23,553	-	-
Over 1 year to 3 years	-	3,29,153	-	-	1,02,389	-	-
Over 3 years to 5 years	-	2,62,955	-	-	1,10,867	-	-
Over 5 years to 7 years	-	1,15,467	-	-	1,17,638	-	-
Over 7 years to 10 years	-	57,548	-	-	1,79,679	-	-
Over 10 years	-	-	-	-	5,36,076	1,668	-
Total	-	9,04,621	93,786	-	10,93,468	1,668	-

* Net of Provisions

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

Maturity pattern of certain items of assets and liabilities as at March 31, 2017:

(₹ In Lakhs)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market Borrowings	Foreign currency Liabilities	Advances*	Investments*	Foreign currency Assets
1 day to 30 days (one month)	-	10,400	11,838	-	3,188	-	-
Over one month to 2 months	-	-	52,500	-	3,066	-	-
Over 2 months to 3 months	-	2,054	15,000	-	3,081	-	-
Over 3 months to 6 months	-	34,548	-	-	9,335	-	-
Over 6 months to 1 year	-	49,184	-	-	19,076	-	-
Over 1 year to 3 years	-	2,39,440	4,500	-	81,189	-	-
Over 3 years to 5 years	-	1,96,005	-	-	91,742	-	-
Over 5 years to 7 years	-	1,28,041	-	-	99,435	-	-
Over 7 years to 10 years	-	80,175	-	-	1,53,756	-	-
Over 10 years	-	-	-	-	4,39,914	1,668	-
Total	-	7,39,847	83,838	-	9,03,782	1,668	-

* Net of Provisions



NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

VI. Exposure to Real Estate Sector:

(₹ In Lakhs)

Sr. No.	Category	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Direct Exposure		
a)	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)		
	- Individual Housing Loans upto ₹ 15 Lakhs	4,85,777	4,38,642
	- Individual Housing Loans above ₹ 15 Lakhs	6,36,978	4,87,977
	- Housing Loans to Corporate Bodies	335	335
b)	Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;		
	- Commercial Loans	416	735
	- Housing Loans to Others	-	-
c)	Investments in Mortgage Backed Securities (MBS) and other Securitised Exposures		
	- Residential	-	-
	- Commercial Real Estate	-	-
ii)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

VII. Exposure to Capital Market:

		(₹In Lakhs)	
Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,668	1,668
ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii)	bridge loans to companies against expected equity flows / issues;	-	-
viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	1,668	1,668

VIII. The Company has not exceeded limit prescribed by NHB for Single Borrower Limit (SGL) and Group Borrower Limit (GBL).

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

X. NHB has not raised any stricture or direction in their inspection carried out during the year.

Further, NHB has not imposed any penalty on the Company during the year.

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

XI. Related Party Transactions: (As per AS 18- Related Party disclosures)

i) Names of Related Parties and description of relationship

Key Management Personnel:

- Shri. S. Gopakumar - Managing Director & CEO
- Shri. S. Sridharan - Sr. Vice President, Company Secretary & CFO

ii) Details of transactions and balance at the year end with related parties:

a. Shri S. Gopakumar - Managing Director & CEO:

		(₹ In Lakhs)	
Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Salary	25	8
ii)	Salary Arrears	-	-
iii)	Leave Encashment and other allowances	-	3
iv)	Performance Incentive	2	-
v)	Contribution to Pension and other funds	1	1
vi)	Perquisites	3	4
	Total	31	16
	Housing Loan Closing Balance	-	-
	Maximum Balance of Housing Loan outstanding during the period	-	-

b. Shri S. Sridharan - Sr. Vice President, Company Secretary & CFO:

		(₹ In Lakhs)	
Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Salary	21	17
ii)	Salary Arrears	-	-
iii)	Leave Encashment and other allowances	-	3
iv)	Performance Incentive	1	1
v)	Contribution to Pension and other funds	2	2
vi)	Perquisites	6	9
	Total	30	32
	Housing Loan and Other Advances Closing Balance	19	21
	Maximum Balance of Housing Loan outstanding during the period	21	21

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

XII. Rating assigned by Credit Rating Agencies and migration of rating during the year:

Sr. No.	Particulars	Year Ended 31.03.2018		Year Ended 31.03.2017	
		ICRA	CRISIL	ICRA	CRISIL
i)	Long Term Loans	[ICRA]AA+ stable	CRISIL AA+ stable	[ICRA]AA+ stable	CRISIL AA+ stable
ii)	Non-Convertible Debentures	[ICRA]AA+ stable	CRISIL AA+ stable	[ICRA]AA+ stable	CRISIL AA+ stable
iii)	Short Term Loans	[ICRA]A1+	NIL	[ICRA]A1+	
iv)	Commercial Paper	[ICRA]A1+	CRISIL A1+	[ICRA]A1+	CRISIL A1+

XIII. Remuneration to Directors:

There are no transactions other than sitting fees paid to Non-Executive Directors. During the year, ₹ 12 Lakhs (Previous Year ₹ 9.40 Lakhs) were paid to Non-Executive Directors towards Sitting Fees. Details are as under:

(₹ In Lakhs)

Name of the Directors	Year Ended 31.03.2018			Year Ended 31.03.2017		
	Sitting Fees	Commission	Others	Sitting Fees	Commission	Others
Shri V. Ramasamy	3.90	-	-	2.60	-	-
Shri Kamlesh S. Vikamsey	1.20	-	-	1.40	-	-
Smt. Mona Bhide	2.10	-	-	1.80	-	-
Shri B. Chakrabarti	1.50	-	-	1.20	-	-
Shri A. V. Muralidharan	1.50	-	-	1.20	-	-
Shri M. K. Garg	1.50	-	-	1.20	-	-
Shri. NSR Chandra Prasad	0.30	-	-	-	-	-
TOTAL	12.00	-	-	9.40	-	-

XIV. During the year,

- No prior period items occurred which has impact on Statement of Profit & Loss,
- No change in any accounting policy, and
- There were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

XV. The Company has no subsidiary. Hence, requirement of consolidated financial statement is not applicable to the Company.

XVI. Provisions and Contingencies charged during the year:

(₹ In Lakhs)

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Provisions for Depreciation on Investments	-	-
ii)	Provision made towards Income tax	9,450	7,635
iii)	Provision towards NPA	5,543	2,763
iv)	Provision for Standard Assets (With details like teaser loan, CRE, RE-RH etc.)	589	577
v)	Other Provision and Contingencies (with details)	-	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

Break up Loan & Advances and Provisions thereon

(₹ In Lakhs)

Sr. No.	Particulars	Housing		Non Housing	
		Year Ended 31.03.2018	Year Ended 31.03.2017	Year Ended 31.03.2018	Year Ended 31.03.2017
	Standard Asset				
a)	Total outstanding Amount	9,25,888	7,55,130	1,70,291	1,50,489
b)	Provisions made	3,473	3,057	1,602	1,430
	Sub - Standard Asset				
a)	Total outstanding Amount	7,220	7,300	3,452	3,388
b)	Provisions made	5,620	5,490	2,688	2,548
	Doubtful Assets-Category - I				
a)	Total outstanding Amount	4,372	2,031	1,553	733
b)	Provisions made	4,372	2,031	1,553	733
	Doubtful Asset - Category II				
a)	Total outstanding Amount	2,530	1,542	618	159
b)	Provisions made	2,530	1,542	618	159
	Doubtful Asset - Category III				
a)	Total outstanding Amount	6,317	5,619	382	447
b)	Provisions made	6,317	5,619	382	447
	Loss Assets				
a)	Total outstanding Amount	833	801	50	50
b)	Provisions made	833	801	50	50
	TOTAL				
a)	Total outstanding Amount	9,47,160	7,72,423	1,76,346	1,55,266
b)	Provisions made	23,145	18,540	6,893	5,367

XVII. Concentration of Public Deposits: The Company has not accepted any public deposits.

XVIII. Concentration of Loans & Advances:

(₹ In Lakhs)

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Total Loans & Advances to twenty largest borrowers	3,844	3,987
ii)	Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC.	0.34%	0.43%

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

XIX. Concentration of all Exposure (including off-balance sheet exposure):

(₹ In Lakhs)

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Total Exposure to twenty largest borrowers	4,000	4,031
ii)	Percentage of Exposure to twenty largest borrowers/ customers to Total Exposure of the HFC on borrower/ customers	0.35%	0.43%

XX. Concentration of NPAs:

(₹ In Lakhs)

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Total Exposure to top ten NPA accounts	1,128	1,039

XXI. Sector-wise NPAs:

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Housing Loans		
a.	Individuals	2.24%	2.23%
b.	Builders/Project Loans	-	-
c.	Corporates	-	-
d.	Others (specify)	-	-
ii)	Non - Housing Loans		
a.	Individuals (Mortgage/Commercial)	3.40%	2.92%
b.	Builders/Project Loans	-	0.07%
c.	Corporates	0.21%	0.24%
d.	Others (specify)	-	-

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

XXII. Movement of NPAs:

(₹ In Lakhs)			
Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	Net NPAs to Net Advances (%)	0.21%	0.29 %
ii)	Movement of NPAs (Gross)		
a)	Opening balance	22,070	14,374
b)	Additions during the year	28,903	28,567
c)	Reductions during the year	23,646	20,871
d)	Closing balance	27,327	22,070
iii)	Movement of Net NPAs		
a)	Opening balance	2,650	-
b)	Additions during the year	20,644	21,367
c)	Reductions during the year	20,930	18,717
d)	Closing balance	2,364	2,650
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
a)	Opening balance	19,420	14,374
b)	Provisions made during the year	8,259	4,017
c)	Utilization of Floating provision*	-	3,183
d)	Write-off/write-back of excess provisions	2,716	2,154
e)	Closing balance	24,963	19,420

*Pursuant to the communication received from National Housing Bank (NHB), the additional provision made by the Company in the previous financial years towards the Standard assets and Non-Performing Assets are reclassified to provisions for Non-Performing Assets.

XXIII. The Company does not have any overseas assets and any off balance sheet Special

Purpose Vehicle (SPV), which requires to be consolidated as per accounting norms.

XXIV. Disclosure of Complaints:

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	No. of complaints pending at the beginning of the year	6	-
ii)	No. of complaints received during the year	70	39
iii)	No. of complaints redressed during the year	40	33
iv)	No. of complaints pending at the end of the year	36	6

Disclosure made above is only for the complaints filed by customers directly on "Grievance Registration and information Database system (GRIDS)" NHB online website having the following URL: <http://grids.nhbonline.org.in>

NOTES TO THE FINANCIAL STATEMENTS for the year ended as at 31st March, 2018

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

(₹ In Lakhs)

Sr. No.	Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	4	-
ii)	The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	-	-
iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of the year	-	-
v)	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.	-	-

14. Figures for previous year have been regrouped / reclassified wherever necessary.

15. Figures have been rounded off to the nearest Rupees in Lakhs.

As per our Report attached of even date

CNK & Associates LLP

Chartered Accountants

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

Manish Sampat

Partner

Membership No. 101684

Alice G. Vaidyan

Chairperson

DIN: 07394437

S. Gopakumar

Managing Director & CEO

DIN: 07542356

Place: Mumbai

Date: 24th April, 2018

S. Sridharan

Chief Financial Officer

(Sr. Vice President & Company Secretary)

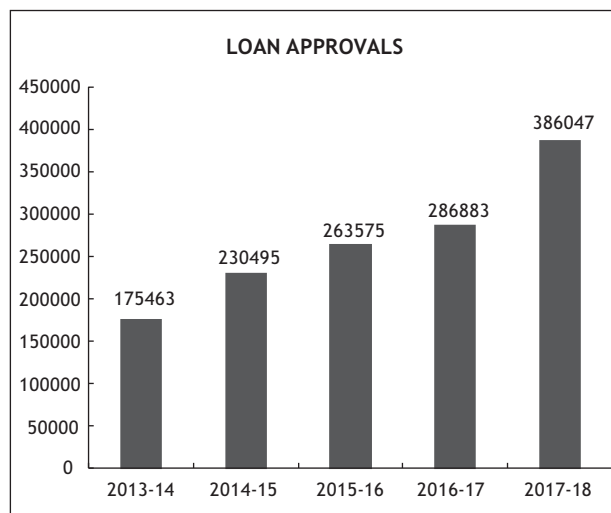
FINANCIAL ANALYSIS AND PERFORMANCE MEASURES

Achievements in 2017-18

Loan approvals during the year

During the year, the Company sanctioned ₹ 3,86,047 Lakhs under “Apna Ghar Yojana” (loan to individuals)

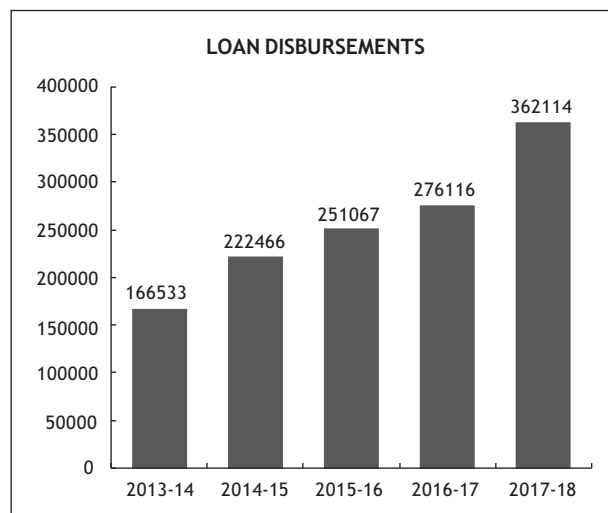
(₹ in Lakhs)



Loan disbursements during the year

During the year, the Company disbursed ₹ 3,62,114 Lakhs under “Apna Ghar Yojana” (loan to individuals)

(₹ in Lakhs)

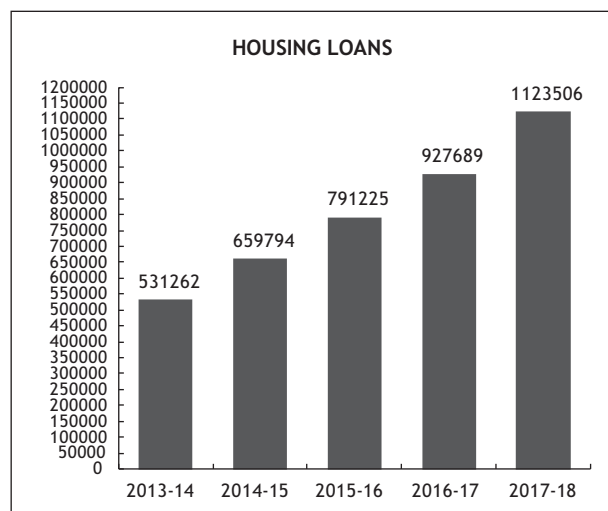
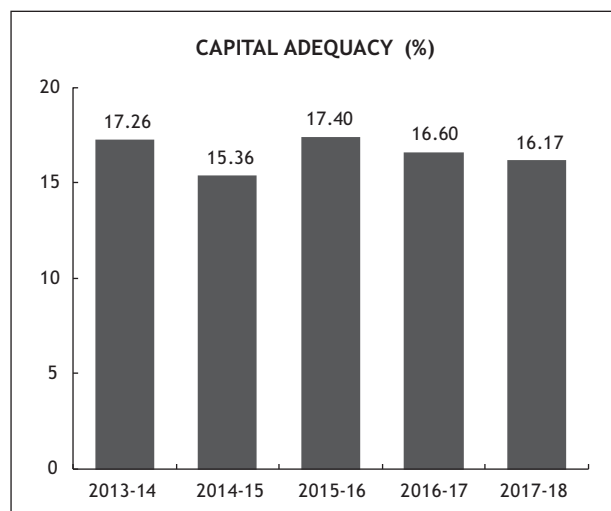


Capital Adequacy

Housing Loans

The Housing Loans Portfolio rose by 21.11% for the year 2017-18

(₹ in Lakhs)

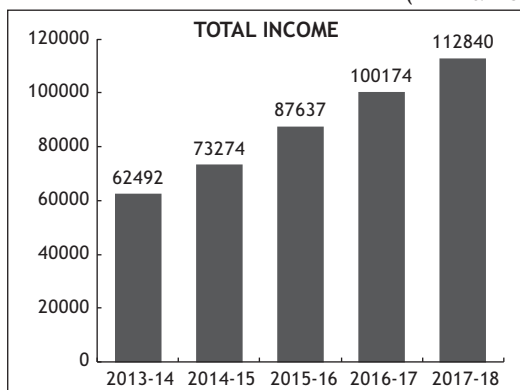


FIVE YEARS AT A GLANCE
Comparative Statement

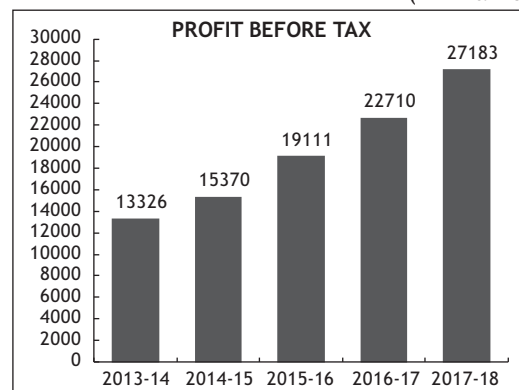
(₹ in Lakhs)

Particulars	31.03.2018	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Total Income	1,12,840	1,00,174	87,637	73,274	62,492
Profit Before Tax	27,183	22,710	19,111	15,370	13,326
Profit After Tax	18,443	14,773	12,450	10,296	9,755
Earning per Share (₹)	34.25	27.43	23.12	19.12	18.12
Dividend (%)	55	50	50	50	60
Book Value per Share (₹)	183.89	155.65	133.77	115.65	101.97

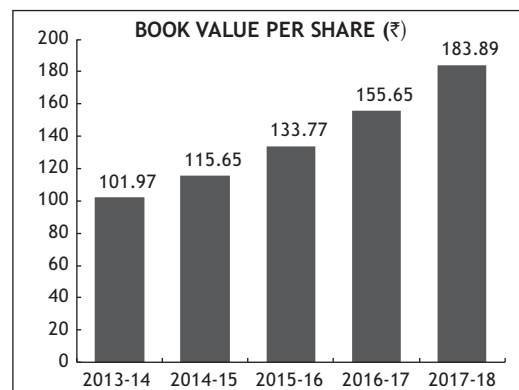
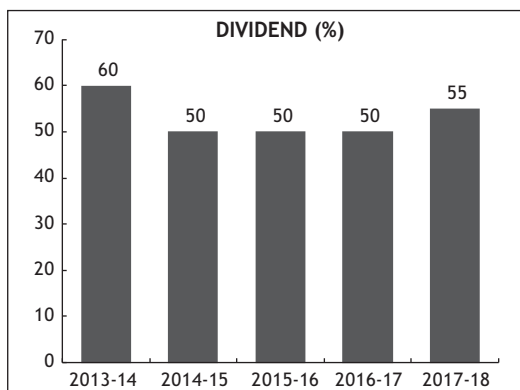
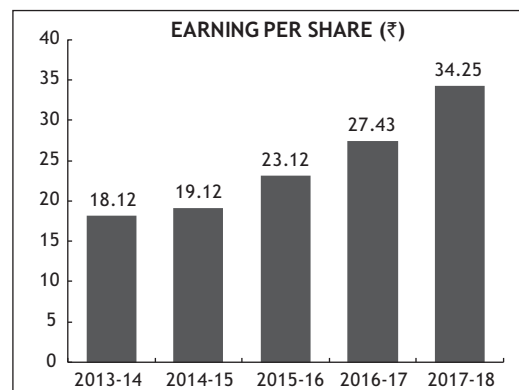
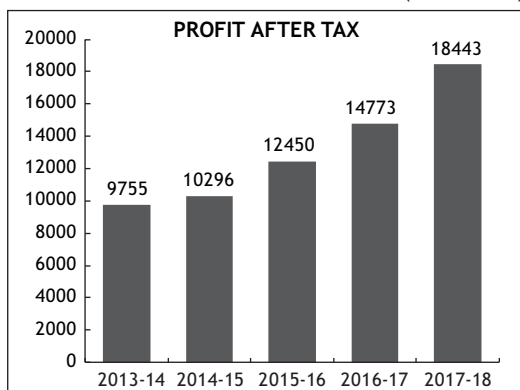
(₹ in Lakhs)



(₹ in Lakhs)



(₹ in Lakhs)



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Inauguration of Hubli Branch



Inauguration of Nellore Branch



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in their own homes – this is the
reason why we were created.



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- Free Property Insurance
- Free Accidental Death Insurance
- Life Insurance (optional at lower rates)



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