

45th



hudco

Supporting Sustainable Habitats

HUDCO

Annual Report 2014-15



45th
Annual Report
2014-2015



HOUSING AND URBAN DEVELOPMENT CORPORATION LIMITED
AN ISO 9001:2008 CERTIFIED COMPANY

CIN: U74899DL1970GOI005276

VISION

*“To be among
the World’s leading knowledge hubs and
techno-financial organizations for
clean, green and sustainable
habitat development.”*

MISSION

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

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Consultancy for Thirunallar Temple Town Development Project at Karaikal, Puducherry

FINANCIAL AND OPERATIONAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

(Rs. in crore)

PARTICULARS	2010-11	2011-12	2012-13	2013-14	2014-15
Gross Income	2278.59	2778.63	2923.24	2993.85	3427.77
Profit After Tax	550.03	630.33	700.56	726.34	777.63
Share Holders' fund	5520.97	5988.89	6513.96	7123.33	7781.17
Share Capital - Equity	2001.90	2001.90	2001.90	2001.90	2001.90
Reserves & Surplus	3519.07	3986.99	4512.06	5121.43	5779.27
Borrowings	15778.66	18822.47	18867.43	21304.75	23467.65
Loan Outstanding	21197.83	23783.05	25936.52	29341.82	32464.86
Earning per share (Rs.) (Face value of Rs 1000/- per share)	274.75	314.87	349.95	362.83	388.45
Gross Operating Margin	990.19	1109.28	1298.43	1243.32	1571.17
Sales Turnover/Net Block	30.50	38.36	40.34	43.25	44.81
PAT per Employee (Rs. In Lakh)	55.50	65.05	73.90	79.29	87.18

OPERATIONAL HIGHLIGHTS

PARTICULARS	2010-11	2011-12	2012-13	2013-14	2014-15
No. of Schemes Sanctioned	134	130	140	134	162
Loan Sanctioned (Rs. in crore)	19762	20511	23974	17491	21096
Amount Released (Rs. in crore)	5105	6905	6079	7438	8101
Dwelling Units					
- Total	295732	422524	439286	1434102	484128
- % of EWS & LIG	93.43	96.37	96.81	98.46	82.95
Sanitation Units	0	0	0	0	0
No. of Urban Infrastructure Projects	72	61	76	72	121
UI Loan Sanctioned (Rs. in crore)	14469	14204	16337	7848	13426

BOARD OF DIRECTORS



Dr. M. Ravi Kanth
Chairman & Managing Director



N L Manjoka
Director (Corporate Planning)



Rakesh Kumar Arora
Director (Finance)



Jhanja Tripathy
Govt. Nominee Director and
JS & FA MoHUPA



Rajiv Ranjan Mishra
Govt. Nominee Director and
JS (Housing) MoHUPA



HUDCO Design Award

First Prize : A Mridul: Under Category, Green Buildings, Gandhi Teerth, Jalgaon, Maharashtra

CHAIRMAN'S SPEECH



CHAIRMAN'S SPEECH



Nurturing Progress, Setting Milestones **Chairman's Statement at the 45th Annual General Meeting (AGM) of HUDCO**

Ladies & Gentlemen,

It is my privilege to welcome you all to the 45th AGM of your Company, and I congratulate all the stakeholders and acknowledge your continuous support for yet another successful year of the Company. It is time to share the highlights of HUDCO's performance during 2014-15, business environment, issues and future outlook for the Company. The Directors' Report, the audited final accounts of the Company for 2014-15, along with the Auditors' Report thereon, have already been provided.

1. Economic Environment & Government Initiatives

The 'Economic Survey 2014-15' points to the perceptible improvement in some macro-aggregates of the economy in 2013-14 and the GDP growth in 2014-15 has been estimated at 7.30%. Brighter prospects appeared as the economy stood largely relieved of the vulnerabilities, and the inflationary pressures started easing from around third quarter onwards of 2014-15, which prompted the Reserve Bank of India (RBI) to reduce the repo rate in January and March 2015. The Government of India has focused on reviving the urban sector by launching programmes like 'Pradhan Mantri Awas Yojana (PMAY)-Housing for All', Development of '100 Smart Cities', 'Atal Mission for Rejuvenation and Urban Transformation' (AMRUT), 'Swachh Bharat Abhiyan' and 'Digital India' to be used as a catalyst for achieving the new programme objectives. FDI norms were liberalized for the construction sector and RBI allowed banks to issue long-term bonds for financing of infrastructure and affordable housing.

2. Emerging Issues in Housing & Urban Infrastructure

Urban population in India stands at 377 million in 2011, representing 31.16% of the country's population and is expected to reach almost 600 million by 2030. The widening gap between demand and supply of housing units and affordable housing finance solutions is a major policy concern for India. The urban

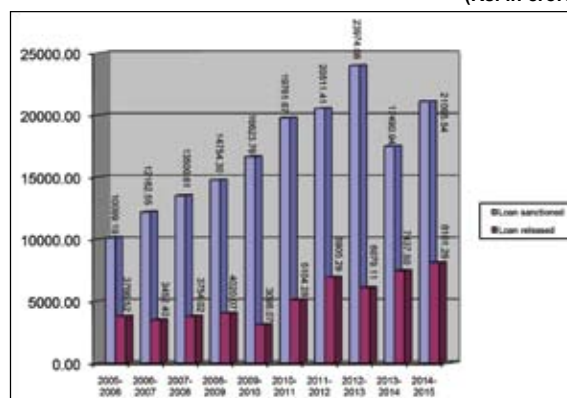
housing shortage was estimated at 18.8 million units of which 95.6% is in the Economically Weaker Section (EWS) / Low Income Group (LIG) segments, requiring huge financial investment.

3. Operational & Financial Performance of HUDCO during 2014-15

- a) HUDCO sanctioned a total of 162 schemes (41 housing, 121 infrastructure) for loans of Rs.21096 crore (Rs.7670 crore for housing, Rs.7398 crore for core urban-infrastructure and Rs.6028 crore for non-core infrastructure schemes) as against Rs.17491 crore sanctioned during the previous year, registering a growth of 20.61%.
- b) HUDCO disbursed Rs.7973 crore (Rs.3076 crore for housing, Rs.4897 crore for urban-infrastructure) as against Rs.7438 crore disbursed during the previous year, registering a growth of 7.19%.
- c) The projects sanctioned are for water supply, industrial infrastructure, power, transport, sewerage, drainage, commercial, housing, etc. HUDCO has sanctioned 4.86 lakh housing units, of which 4.73 lakh were for Economically Weaker Section (EWS) and Low Income Group (LIG) category.
- d) Your Company achieved profit before tax, after prior-period adjustment, of Rs.1180.94 crore during 2014-15 as against Rs.1094.35 crore during the previous year and registered a growth of 8%. The net profit showed a growth of 7% and stood at Rs.777.63 crore during the year, as against Rs.726.34 crore in the previous year. As on 31.03.2015, your Company had a net worth of Rs.7781 crore.
- e) Board of Directors of your Company recommended a final dividend of Rs.120.50 crore (inclusive of dividend tax of Rs.20.49 crore) for 2014-15 to the shareholders and it is expected to retain 'Excellent' MoU rating again, from Department of Public Enterprises (DPE), based on the MoU 2014-15 performance parameters.

Operational Growth of HUDCO

(Rs. in crore)



4. Credit Rating of HUDCO upgraded from AA+ to AAA

HUDCO credit rating has been upgraded from 'AA+' to 'AAA' by India Ratings & Research Private Limited (Fitch group) and Care Ratings & ICRA Limited. Further, India Ratings & Research Private Limited (Fitch group) and M/s Care Ratings have further affirmed 'A1+' rating for HUDCO's short-term instruments. Now, HUDCO has achieved the highest possible rating on standalone basis.

5. HUDCO's Role in Jawaharlal Nehru National Urban Renewal Mission (JNNURM) & Rajiv Awas Yojana (RAY)

JNNURM has been extended upto March, 2017 for completion of the on-going projects. HUDCO is involved in appraisal and monitoring of BSUP/IHSDP projects under JNNURM, including review of Third Party Inspection & Monitoring Agencies (TPIMA) reports. As on 31st March, 2015, HUDCO appraised 1203 BSUP/ IHSDP projects with project cost of Rs.23005.52 crore and central grant of Rs.12899.94 crore for construction/upgradation of 9.35 lakh dwelling units across 849 cities/towns in the country. Also, HUDCO conducted 358 field visits for monitoring of BSUP / IHSDP projects, and analyzed 1755 TPIMA reports.