



गृहे सौख्यम् विराजते

GIC HOUSING FINANCE LTD.

YOUR ROAD TO A DREAM HOME



Because Everybody Needs a Home.

Shelter is one of nature's basic needs and it's our mission to provide homes through flexible and innovative funding. As an enthusiastic and dependable player in the home loans field, we are committed to do more for both our customers and stakeholders.

Annual Report 2012-13

CONTENTS	PAGE NO.
Corporate Information	01
Notice of AGM	04
Directors' Report	11
Management Discussion & Analysis Report	17
Corporate Governance Report	21
Shareholders Information	27
Auditors' Certificate on Corporate Governance	33
Auditors' Report	34
Balance Sheet	38
Statement of Profit and Loss	39
Cash Flow Statement	40
Notes	42
Financial Analysis	61
Five years' at a Glance	63

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

- | | | |
|-----|--|------------------------|
| 1) | Shri Ashok K. Roy | Chairman |
| 2) | Shri G. Srinivasan | Director |
| 3) | Shri N.S.R. Chandraprasad | Director |
| 4) | Dr. A. K. Saxena | Director |
| 5) | Shri Milind A. Kharat | Director |
| 6) | Shri N. R. Ranganathan,
IAS (Retd.) | Director (GIC Nominee) |
| 7) | Shri M. K. Tandon | Director |
| 8) | Shri A. R. Sekar | Director |
| 9) | Shri N. Mohan | Director |
| 10) | Shri Manu Chadha | Director |
| 11) | Shri Warendra Sinha | Managing Director |

SENIOR VICE PRESIDENT & COMPANY SECRETARY

Shri S. Sridharan

AUDITORS

M/s. Contractor, Nayak & Kishnadwala
Chartered Accountants
Mumbai

PRINCIPAL BANKERS

HDFC Bank Limited, United Bank of India, Axis Bank Limited, Bank of India, Canara Bank, Union Bank of India, Bank of Maharashtra, State Bank of Mysore, Syndicate Bank, Central Bank of India, Oriental Bank of Commerce, Punjab & Sindh Bank, The Nova Scotia Bank Limited, Corporation Bank, Tamilnadu Mercantile Bank Limited, Indian Bank, Kotak Mahindra Bank, Allahabad Bank, Bank of Baroda & ING Vysya Bank Limited.

REGISTERED OFFICE

Universal Insurance Building,
3rd Floor, Sir P. M. Road,
Fort, Mumbai - 400 001.

REGISTRARS AND SHARE TRANSFER AGENTS**M/s. Sharepro Services (India) Pvt. Limited**

13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road,
Sakinaka, Andheri (East),
Mumbai – 400072
Tel.: 022 – 67720300, 67720400 & 67720403
Fax: 022 - 67720416
E-mail – sharepro@shareproservices.com

BOARD COMMITTEES**AUDIT COMMITTEE**

- 1) Shri M. K. Tandon – Chairman
- 2) Shri Manu Chadha
- 3) Shri N. Mohan

SHAREHOLDERS GRIEVANCE COMMITTEE

- 1) Shri N. Mohan - Chairman
- 2) Shri M. K. Tandon
- 3) Shri Manu Chadha

REMUNERATION COMMITTEE

- 1) Shri N. Mohan - Chairman
- 2) Shri M. K. Tandon

ASSET LIABILITY MANAGEMENT COMMITTEE

- 1) Shri Manu Chadha - Chairman
- 2) Shri M. K. Tandon
- 3) Shri Warendra Sinha

EXECUTIVES

1)	Shri Rajib De	Senior Vice President
2)	Shri K. B. Suresh	Senior Vice President
3)	Shri S. Sridharan	Senior Vice President & Company Secretary
4)	Shri Mahesh Ghagre	Vice President
5)	Shri Srinivas Mahishi	Vice President
6)	Shri S. Vijayaramesh	Assistant Vice President
7)	Smt Mahalakshmi Sharma	Assistant Vice President
8)	Smt Corina Rebello	Assistant Vice President

ANNUAL GENERAL MEETING

Date : Friday, 26th July, 2013

Time : 3.30 p.m.

Venue : Indian Merchants' Chamber,
'Walchand Hirachand Hall', 4th Floor,
Indian Merchants' Chamber Marg,
Churchgate, Mumbai - 400020

**BUSINESS HEADS**

Branch	Manager
1) Bangalore	Shri K. Divakar
2) Bhubaneshwar	Shri Subhasis Nag
3) Chandigarh	Shri Amit Dahiya
4) Chennai	Shri S. R. Ravi
5) Chinchwad	Shri Vinayak Joshi
6) Coimbatore	Shri V. Kumarguru
7) Delhi	Shri Vicky Kapoor & Shri Amit Thakur
8) Durgapur	Shri Surjit Das Biswas
9) Gurgaon	Shri Deepak Kumar Mathur
10) Hyderabad	Shri. N. Ragothaman
11) Indore	Shri Ullhas Naik
12) Jaipur	Shri Santosh Kumar Singh
13) Jodhpur	Shri Bidyut Pal
14) Kochi	Shri. V. Jayaram
15) Kolhapur	Shri Dnyaneshwar Doundkar
16) Kolkata	Shri Kaushik Basu
17) Lucknow	Shri Shanish Sharma
18) Madurai	Shri G. Rajasekar
19) Mumbai	Shri Ramesh More
20) Nagpur	Shri Nilesh Giri
21) Nashik	Shri Nayan Ghag
22) Nere Panvel	Shri Amit Jha & Shri Ramesh Gaikwad
23) Navi Mumbai	Shri Rohit Medhekar
24) Noida	Shri Pramender Singh
25) Panaji	Shri Yogesh Deshpande
26) Panvel	Shri Joseph Thomas
27) Pune	Shri Sudhir Kasbekar
28) Thane	Shri Sanjay Koppikar
29) Trichy	Shri K. Jagadish
30) Trivandrum	Shri Mithun Mohan
31) Vadodara	Shri Mukesh Kumar Savita
32) Vizag	Smt S. Asha
33) Virar	Shri Chandra Mogaveera

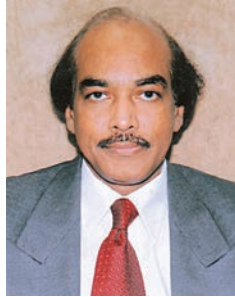
BOARD OF DIRECTORS



Shri Ashok K. Roy
Chairman



Shri G. Srinivasan
Director



Shri N.S.R. Chandraprasad
Director



Dr. A. K. Saxena
Director



Shri Milind A. Kharat
Director



Shri N. R. Ranganathan
Director



Shri M. K. Tandon
Director



Shri A. R. Sekar
Director



Shri N. Mohan
Director



Shri Manu Chadha
Director



Shri Warendra Sinha
Managing Director



NOTICE

23rd ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty-third Annual General Meeting of the members of **GIC HOUSING FINANCE LIMITED** will be held on Friday, 26th July, 2013 at 3.30 p.m. at Indian Merchants' Chamber, 'Walchand Hirachand Hall', 4th Floor, Indian Merchants' Chamber Marg, Churchgate, Mumbai - 400020 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Statement of Accounts together with Directors' Report as also the Auditors' Report thereon for the financial year ended 31st March, 2013.
- 2) To declare dividend on Equity Shares for the financial year ended 31st March, 2013.
- 3) Shri M. K. Tandon, a Director due to retire by rotation at this Annual General Meeting is not seeking re-election.
- 4) Shri Manu Chadha, a Director due to retire by rotation at this Annual General Meeting is not seeking re-election.

Re-appointment of Statutory Auditors

- 5) To appoint Auditors and in this connection, to pass with or without modification(s) the following resolution as a **Special Resolution**:
"RESOLVED THAT pursuant to Section 224A of the Companies Act, 1956 M/s. Contractor, Nayak & Kishnadwala, Chartered Accountants, Mumbai [ICAI Firm Registration No.101961W], be and are hereby re-appointed as Auditors of the Company to hold the office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as mutually agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out-of-pocket expenses incurred in connection with the audit of Accounts of the Company for the financial year ending 31st March, 2014."

SPECIAL BUSINESS:

- 6) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Dr. A. K. Saxena, who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 16th October, 2012 and who holds office up to the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956, and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
- 7) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Shri Milind A. Kharat, who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 8th January, 2013 and who holds office up to the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956, and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
- 8) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Shri Warendra Sinha, who was appointed as an Additional Director of the Company pursuant to Article 111 of Articles of Association of the Company with effect from 31st December, 2012 and who holds office up to the forthcoming Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956, and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."
- 9) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT subject to provisions of Article 116, 117 and 118 of the Articles of Association of the Company and pursuant to provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to any other approvals, as may be required, Shri Warendra Sinha be and is hereby appointed as Managing Director with effect from 31st December, 2012 for a period of two years or up to his extended period of deputation if any at the remuneration he



is entitled to in accordance with the Service Regulations applicable to General Manager cadre (Scale VII) of General Insurance Corporation of India (GIC Re) with any modifications, revisions, thereof, if any that might take place from time to time, and also entitled for performance linked incentive if any approved by the Remuneration Committee and the Board subject to ceiling limits prescribed by Schedule XIII to the Companies Act, 1956.”

“**RESOLVED FURTHER THAT** in the event of any loss or inadequacy of profit, the aforesaid salary, allowances and perquisite payable to Shri Warendra Sinha, Managing Director be paid to him as minimum remuneration (accordingly to Schedule XIII) during the said period of appointment pursuant to Provisions of the Companies Act, 1956”.

Place: Mumbai

Date: 10th May, 2013

Registered Office

Universal Insurance Building,
3rd Floor, Sir P. M. Road,
Fort, Mumbai - 400001

For and on behalf of the Board of Directors

Warendra Sinha
Managing Director

**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 ATTENDANCE SLIP-CUM -PROXY FORM IS PLACED AT THE END OF THIS 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 173 of the Companies Act, 1956, in respect of item No.5, 6, 7, 8 and 9 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 20th July, 2013 to 26th July, 2013 (both days inclusive) in connection with the Annual General Meeting and for the purpose of payment of dividend for the year 2012-13.
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 19th July, 2013 and
 - b) Whose names appear as Beneficial Owners in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited 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. Sharepro Services (India) Pvt. Ltd., Mumbai (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 dematerialised 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 (2012-13).
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 without any delay.
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 109(A) of the Companies Act, 1956, nomination facility is available to an individual shareholder. Shareholders holding shares in physical form may utilise the nomination facility available by sending the prescribed Form No.2B duly filled, to our Registrars and Share Transfer Agents viz. M/s. Sharepro Services (India) Pvt. Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400072. Shareholders 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 shareholders, 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:
- Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholder(s).
 - Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - 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 shareholders.
16. Investors / shareholders 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 Limited (NSDL) and Central Depository Services (India) Limited (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/ shareholders 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 2005-06, 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 205C of the Companies Act, 1956 in the month of November, 2013. Members, who have not yet encashed their dividend for the financial year 2005-06, are requested to lodge their claims with the Company or M/s. Sharepro Services (India) Pvt. Limited without delay. Members are advised that no claims shall lie against the said fund or against the Company for the amount of dividend so transferred to the fund. During the year 2012-13, the Company has deposited a sum of Rs.5,72,766/- (Rupees five lacs Seventy two thousand seven hundred and sixty six only) to Investor Education and Protection Fund of the Central Government, on account of unclaimed/ unpaid dividend for the year 2004-05.
18. Those members who have not encashed or received their dividend for the financial years 2005-06 to 2011-12 are requested to approach our Registrars and Share Transfer Agents viz. M/s. Sharepro Services (India) Pvt. Limited, Mumbai.
19. The shareholders 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 is furnished and forming part of the notice as per clause 49 (IV)G of the Listing Agreement.
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. The Ministry of Corporate Affairs, Government of India has introduced a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by the companies for service of documents to their members through electronic mode, which will be in compliance with Section 53 of the Companies Act, 1956.

In terms of the above the Company has already dispatched a written communication to its members on 9th March, 2012 requesting them to register their designated email id with the Company/RTA. However, members who are desirous of obtaining hard copy of the Notice, Postal Ballot, Annual Reports and other documents may forward their written request to the Company/RTA for the same.



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 5:

As the Public Financial Institutions are holding more than 25% of the shares of the Company, the appointment of Auditors is required to be made by a special resolution under Section 224(A) of the Companies Act, 1956.

The Board of Directors recommends their re-appointment as auditors from the ensuing Annual General Meeting till conclusion of next Annual General Meeting.

None of the Directors of the Company are concerned or interested in the above resolution.

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

ITEM NO. 6:

Dr. A. K. Saxena was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, by the Board of Directors on 16th October, 2012 and holds office till the date of the Twenty-third Annual General Meeting of the Company and is eligible for appointment. Dr. A. K. Saxena is Chairman cum Managing Director of the Oriental Insurance Company Limited.

The Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, proposing the candidature of Dr. A. K. Saxena for the office of Director liable to retire by rotation.

None of the Directors other than Dr. A. K. Saxena is concerned or interested in the Resolution.

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

ITEM NO. 7:

Shri Milind A. Kharat was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956, by the Board of Directors on 8th January, 2013 and holds office till the date of the Twenty-third Annual General Meeting of the Company and is eligible for appointment. Shri Milind A. Kharat is Chairman cum Managing Director of United India Insurance Company Limited.

The Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956, proposing the candidature of Shri Milind A. Kharat for the office of Director liable to retire by rotation.

None of the Directors other than Shri Milind A. Kharat is concerned or interested in the Resolution.

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

ITEM NO. 8 and 9:

The Board of Directors of the Company appointed Shri Warendra Sinha as an Additional Director and then as Managing Director as per Articles 116 of the Articles of Association of the Company for the period from 31st December, 2012 to 31st December, 2014 at the remuneration he is entitled to as per the applicable Service Regulation subject to the ceiling limits prescribed by schedule XIII to the Companies Act, 1956. Your directors feel that this appointment would be in the best interest of the Company and accordingly recommended the passing of the resolution proposed at item No. 8 and 9.

Shri Warendra Sinha is a General Manager (scale VII cadre) on deputation from General Insurance Corporation of India (GIC Re)

None of the Directors other than Shri Warendra Sinha is concerned or interested in the Resolution.

Place: Mumbai

Date: 10th May, 2013

Registered Office

Universal Insurance Building,
3rd Floor, Sir P. M. Road,
Fort, Mumbai - 400001

For and on behalf of the Board of Directors

Warendra Sinha
Managing Director



Information as required under Clause 49 (IV) (G) of the Listing Agreement in respect of Directors seeking appointment at the 23rd Annual General Meeting:

1. Dr. A. K. Saxena, Chairman cum Managing Director of The Oriental Insurance Company Limited.

Dr. A. K. Saxena assumed charge as Chairman-cum-Managing Director of The Oriental Insurance Company Ltd. Delhi, w.e.f. 12th June, 2012. Dr. A. K. Saxena was earlier posted as General Manager at the Oriental Insurance Company Ltd. itself.

Dr. A. K. Saxena holds masters degree in Veterinary Sciences and is a Bachelor of Law. He is also an Associate Member of the Insurance Institute of India.

Dr. A. K. Saxena commenced his career as an officer with The New India Assurance Company Limited in the year 1979, and has handled various line and staff responsibilities in various offices of The New India Assurance Company Limited in Uttar Pradesh and Mumbai in addition to posting at Manila in Philippines besides stint with Kenindia Assurance Company Limited, Nairobi. He is also a Director of India International Insurance pte, Singapore.

The other Directorships/ Committee memberships of Dr. A. K. Saxena are as follows:

Name of the Company	Board Membership	Committee Membership
The Oriental Insurance Company Limited	Chairman cum Managing Director	Chairman – Investment Committee
India International Insurance Pte. Limited, Singapore	Nominee Director	-

Dr. A. K. Saxena does not hold any share in the Company.

2. Shri Milind A. Kharat, Chairman cum Managing Director of United India Insurance Company Limited.

Shri Milind A. Kharat has assumed charge as Chairman-cum-Managing Director of United India Insurance Company Limited on 18th October, 2012.

Shri Milind A. Kharat is a Post Graduate in Economics from University of Bombay and a LLB. He is also a Fellow of the Insurance Institute of India.

Shri Milind A. Kharat began his career as a Direct Recruit Officer of 1979 batch of General Insurance Corporation of India and has subsequently held different positions at various levels with diverse profiles including Divisional Manager, Sr. Divisional Manager, Regional In charge etc... in The New India Assurance Company Limited.

Shri Milind A. Kharat has two stints of international postings in Fiji Islands and Tokyo, Japan. He has been recognized with Awards for his excellent performance during his tenure as Fiji as Chief Manager for Fiji from 1995 to 2001. He held positions as Director of Fiji Reinsurance Corporation and Chairman of Insurance Council of Fiji and he made significant contributions in revising Fiji's Insurance Act, 1998 and served as Executive Member on National Road Safety Council of Fiji, the body responsible for Road Safety in Fiji.

Shri Milind A. Kharat was posted as Chief Executive Officer for Japan Operations of The New India Assurance Company Limited from 2004 to 2007. He was Executive Committee Member of Foreign Non-Life Insurance Association of Japan and Member of the Finance Committee for Celebration of Indo-Japan Friendship Year 2007.

He brings experience from the fields of HR, Training, Marine Cargo, Marine Hull, Motor and Legal departments.

Prior to his posting as Chairman-cum-Managing Director of United India Insurance Company Limited, he held position of CMD in Agriculture Insurance Company of India Limited, New Delhi.

The other Directorships / Committee memberships of Shri Milind A. Kharat are as follows:

Name of the Company	Board Membership	Committee Membership
United India Insurance Company Limited	Chairman cum Managing Director	Chairman of: Investment Committee Policyholders Protection Committee Risk Management Committee Property Review Committee
Central Insurance Repository Limited	Director	-
Kenindia Assurance Company Limited, Kenya.	Director	-

Shri Milind A. Kharat does not hold any share in the Company.



3. Shri Warendra Sinha, appointed as Managing Director w.e.f 31st December, 2012.

Shri Warendra Sinha, Managing Director is an alumnus of Hansraj College, University of Delhi and a Post Graduate from the Jawaharlal Nehru University, New Delhi. He is also an Associate of the Insurance Institute of India. He joined Oriental Insurance Company Limited in 1982 and worked there till 2008 in various parts of the country as Branch, Division and Region In-Charge as well. In between, he did 4 years deputation at Kenindia Assurance Company Limited, Nairobi, Kenya. On promotion as Dy. General Manager in 2008, he moved to Head office of National Insurance Company Limited at Kolkata, looking after Marketing, Publicity and BPR.

Shri Warendra Sinha joined GIC Re as a General Manager in October, 2012 and thereafter was selected to head the GIC Housing Finance Limited as Managing Director.

Details of Directorship in other Companies – Nil

Shri Warendra Sinha does not hold any share in the Company.



DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 23rd Annual Report of your Company and the Audited Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

PARTICULARS	(Rs.in Lacs)		
	March 31, 2013	March 31, 2012	Growth (%)
Total Income	55390	43942	26
Less: Interest expenditure	37323	31125	
Overheads	6554	4848	
Depreciation & amortisation	209	83	
Profit Before Tax	11304	7886	43
Provision for Tax	3710	2610	
Deferred Tax Assets	(909)	(628)	
Profit After Tax	8503	5904	44
Profit brought forward	2	4	
Profit available for appropriation	8505	5908	
APPROPRIATIONS:			
General Reserve	2805	1270	
Special Reserve under Section 36(1)(viii) of Income Tax Act, 1961	2545	1820	
Proposed Equity Dividend	2692	2423	
Tax on Proposed Dividend	458	393	
Balance carried over to Balance Sheet	5	2	

IMPORTANT FINANCIAL RATIOS

PARTICULARS	March 31, 2013	March 31, 2012
Return on Net Worth (%)	17.09	13.05
Return on Total Assets (%)	1.79	1.38
Book Value per share (Rs.)	92.36	84.03
Earning per share (Rs.)	15.79	10.96
Debt Equity Ratio (times)	7.99	7.94
Average cost of funds (%)	9.86	9.32
Average yield on advances (%)	12.62	11.17
Net Interest Margin	2.76	1.85

DIVIDEND

Your Directors recommend payment of dividend for the year ended 31st March, 2013 of Rs.5/- per equity share of face value of Rs.10/- each. The total dividend outgo for the current year would amount to Rs.31.50 crores including dividend distribution tax of Rs.4.58 crores, as against Rs.28.16 crores including dividend distribution tax of Rs.3.93 crores in the previous year.

The dividend payout ratio for the current year, inclusive of additional tax on dividend will be 37.05%.

OPERATIONS – PERFORMANCE

Income, Profit, Loan Approvals and Disbursements: Total income for the year under review is Rs.553.90 crores as against Rs.439.42 crores for the year 2011-12, registering a growth of 26% over the previous year. Profit before tax for the year ended is



Rs.113.04 crores and Profit after tax for the year ended is Rs.85.03 crores as against Rs.78.86 crores and Rs.59.04 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 Rs.1424 crores and loans disbursed during the year are Rs.1353 crores as against Rs.1072 crores and Rs.992 crores for the year ended 31st March, 2012 respectively. The Retail Loan portfolio as at 31st March, 2013 stood at Rs.4524 crores, (reflecting a growth rate of 17%) as compared to Rs.3864 crores as on 31st March, 2012.

Your Company has adhered to the prudential guidelines for Non Performing Assets (NPAs); issued by the National Housing Bank (NHB) under its Directions 2010, as amended from time to time.

During the year under review, your Company has made provision to the extent of Rs.26.93 Crores as against Rs.19.27 Crores provided for in the year 2011-12. The Company is also carrying an additional provision of Rs.55.87 crores in books, beyond what is prescribed under the guidelines, as a prudential measure. Gross Non Performing Assets on retails loans as on 31st March, 2013 is 1.86% as against 2.08% for the previous year. Net Non performing loans as on 31st March, 2013 is "NIL" as that of the previous year. During the course of inspection of accounts for the earlier year 2011-12, an observation had been made by National Housing Bank (NHB) in regard to the basis of classification for the purpose of making appropriate provision for Non Performing Assets (NPA) for that year. The company has duly clarified its position in that regard and the auditors have reiterated that as on the year ending 31st March, 2012, company has made adequate provision towards Non performing Assets, which are in compliance with the NHB Directions 2010.

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:

Your Company has borrowed fresh long term loans of Rs.254 crores from banks during the year as compared to Rs.795 crores during the previous year. The aggregate of term loans outstanding at the end of the financial year stood at Rs.2640 crores as against Rs.2708 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 Rs.425 crores during the year under review as against Rs.265 crores in the previous year. The refinance facility outstanding as on 31st March, 2013 is Rs.823 crores as against Rs.551 crores as at the end of the previous year.

C. Short term Loan and Commercial Paper:

During the year 2012-13, 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, 2013 is Rs.400 crores (Gross).

D. Non Convertible Debentures:

During the year 2012-13, your Company has raised Rs.115 crores through issue of Non Convertible Debentures (NCD) on private placement.

CREDIT RATING

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

- For Commercial Paper/short term loan programmes of Rs.800 crores as [ICRA] "A1+" (Pronounced as ICRA A one 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 Rs.4500 crores as [ICRA] AA+ (Pronounced as ICRA double A plus). This rating indicates the high credit quality rating assigned by ICRA to Long Term Debt Instruments.
- For Non Convertible Debentures Borrowing Programme of Rs.250 crores [ICRA] "AA+" (Pronounced as ICRA double A Plus).

BRANCH EXPANSION

During the year under review your Company has opened its branch at "Indore", Madhya Pradesh. The total number of branches as on 31st March, 2013 is 33 and also your Company is having 9 out reach and collection centres spread across the country. 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 and 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 Limited' 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.

COMPLIANCE WITH GUIDELINES OF NATIONAL HOUSING BANK (NHB) - REGULATORY GUIDELINES

Your Company has complied with the Guidelines and Directions issued by NHB on asset classification of credit/ investments, Credit Rating, Fair Practices Code, Know Your Customer (KYC), Anti Money Laundering Guidelines, income recognition and provisioning for non performing loans.

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 12%.

The Capital Adequacy Ratio of the Company as at 31st March, 2013 is 14.04% as against 14.80% as at 31st March, 2012.

DEPOSITS

Your Company has not accepted or renewed any fresh deposits during the year within the meaning of Section 58(A) of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. There are no unclaimed deposits as on 31st March, 2013.

DEMATERIALIZATION 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 5,32,21,194 are in dematerialised form, (5,31,91,065 shares as on 31st March, 2012) which is 98.83% (98.77% as on 31st March, 2012) of the total shares as on 31st March, 2013.

Shareholders holding shares in physical form may utilise the nomination facility available by sending the prescribed Form No.2B duly filled, to our Registrars and Share Transfer Agents viz. M/s. Sharepro Services (India) Private Limited, Mumbai. 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 2013-14 have been paid to these Stock Exchanges.

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

In terms of Section 205C of the Companies Act, 1956, 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). In terms of the applicable statutory provisions of the Companies Act, 1956, no claim would lie against the Company or the said Fund after such transfer to IEPF.

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 Rs.5,72,766/- that has not been claimed by shareholders for the financial year 2004-05 has been transferred to Investor Education and Protection Fund (IEPF) during the month of November, 2012, as per the provisions of the Companies Act, 1956. As per section 205(B) of the Companies Act, 1956, no claim would lie against the Company or the said fund after the transfer.



The dividend pertaining to the financial year 2005-06 remaining unclaimed and unpaid amounting to Rs.4,31,258.50 as on 31st March, 2013, would be transferred to IEPF during November, 2013 after settlement of claims received up to the date of completion of 7 years from the date of declaration of the dividend. The Company has sent individual reminder letters to the respective shareholders during the month of July, 2013.

Shareholders who have not claimed the said dividend may write to Registrars and Share Transfer agents.

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 stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, required to be furnished under section 217 (1) (e) of the Companies Act, 1956 are not applicable.

The Company did not earn any income in foreign currency during the year under review. The Company has incurred an amount of Rs.2,37,172/- towards 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 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors hereby confirms that:

- In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 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, 2013 and of the profit /Loss of the Company for the year ended on that date.
- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- We have prepared the annual accounts on a going concern basis.

AUDITORS

M/s. Contractor, Nayak and Kishnadwala, Chartered Accountants [ICAI Firm Registration No.101961W], Mumbai were re-appointed as Statutory Auditors in the twenty-second Annual General Meeting of the Company and their term is scheduled to end at the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment.

The Company received the requisite confirmation from them to the effect that their re-appointment, if made, would be within the limits of Section 224(1B) of the Companies Act, 1956.

The Directors of your Company recommend re-appointment of M/s. Contractor, Nayak & Kishnadwala Chartered Accountants, Mumbai as Statutory Auditors of the Company from the ensuing Annual General Meeting till conclusion of twenty-fourth Annual General Meeting. Suitable resolution for re-appointment requiring approval of the shareholders forms part of the agenda of the Annual General Meeting. The said appointment attracts provisions of section 224 A of the Companies Act, 1956.

DIRECTORS

In accordance with the requirements of the Companies Act, 1956, and Article 125 of the Articles of Association of the Company, S/shri M. K. Tandon and Manu Chadha Directors, who were appointed as Directors in the Board in the year 1999 and 2002 respectively are due to retire by rotation at this Annual General Meeting and are not seeking re-election.

Dr. R. K. Kaul, Director resigned from Directorship on 31st May, 2012, consequent to his superannuation from the services of The Oriental Insurance Company Limited. IFCI Limited withdrew the nomination of Shri Shivendra Tomar, from the Board of the Company on 20th December, 2012. Shri M. Sivaraman, Ex-managing Director resigned from Directorship on 31st October, 2012, consequent to his superannuation from the services.



The Directors of your Company wish to place on record their appreciation for the services rendered and contribution made by Shri M. K. Tandon, Shri Manu Chadha, Dr. R. K. Kaul, Shri Shivendra Tomar and Shri M. Sivaraman during their tenure as Director(s) of the Company.

Dr. A. K. Saxena, Chairman Cum Managing Director, The Oriental Insurance Company Limited, was appointed as an Additional Director of the company w.e.f. 16th October, 2012 pursuant to the provisions of section 260 and other applicable provisions of the Companies Act, 1956, if any and Article 111 of Articles of Association of the Company. Shri Milind A. Kharat, Chairman cum Managing Director, United India Insurance Company Limited was appointed as an Additional Director of the company w.e.f. 8th January, 2013, pursuant to the provisions of section 260 and other applicable provisions of the Companies Act, 1956, if any and Article 111 of Articles of Association of the Company.

Shri Warendra Sinha was appointed as an Additional Director of the Company pursuant to the provisions of section 260 and other applicable provisions of the Companies Act, 1956, if any and Article 111 of Articles of Association of the Company. Shri Warendra Sinha, Pursuant to Article 116, 117, 118 of the Articles of Association of the Company and pursuant to provisions of sections 198, 269 and 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 and subject to any other approvals, as may be applicable was appointed as Managing Director of the Company for the period from 31st December, 2012 to 31st December, 2014.

Your Company has received a notice in writing from a shareholder(s), under Section 257 of the Companies Act, 1956 proposing the appointment of Dr. A. K. Saxena, Shri Milind A. Kharat and Shri Warendra Sinha as Director(s) of the Company at the ensuing Annual General Meeting.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 274 of the Companies Act, 1956. The Board of Directors recommends their appointment.

CORPORATE GOVERNANCE

The Auditors Certificate on Corporate Governance issued by the Statutory Auditors of the Company for the year under review, as required under the Companies Act, 1956 and in pursuance of Clause 49 of the Listing Agreement 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 Clause 49 of the listing agreement entered into with the Stock Exchange(s), the Management Discussion and Analysis Report forms part of this report.

HUMAN RESOURCES & INDUSTRIAL RELATIONS

The Company aims to align HR practices with business goals, motivate people for higher performance and build a competitive working environment. Your Company has continuously been working to improve human resource competence and capabilities in the Company to deliver the desired results. Your Company has developed a comprehensive "in-house" induction training module to make sure that new employees understand the basic focus of the Company in its all operations. Apart from fixed salaries and perquisites, we also have in place performance linked incentive scheme to all the employees which rewards the outstanding performing teams that achieve certain performance targets. In pursuance of the Company's commitment to develop and retain the best available talent, the Company had been sponsoring the employees for training programmes organized by reputed professional institutions and training programmes conducted by National Housing Bank for upgrading the skill and knowledge of the employees in different operational areas. Employees' relations remained cordial and the work atmosphere remained congenial during the year under review. The work force strength of your Company as on 31st March, 2013 is 198.

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 Limited, National Insurance Company Limited, The Oriental Insurance Company Limited, United India Insurance Company Limited and IFCI 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: 10th May, 2013

Registered Office

Universal Insurance Building,
3rd Floor, Sir P. M. Road,
Fort, Mumbai - 400001

For and on behalf of the Board of Directors

Warendra Sinha
Managing Director



MANAGEMENT DISCUSSION & ANALYSIS REPORT

GENERAL: OVERVIEW OF THE ECONOMY

- **Global Economy:**

Global prospects have improved appreciably over the past few months amidst signs of recovery being exhibited by major economies. However, the trajectory of recovery remains inconsistent and laden with impediments which impart susceptibility to the extent of recovery across the various economies.

United States witnessed stabilisation of mild recovery exhibited last year, with the improvements in the housing sector and employment conditions. However, larger-than-expected fiscal adjustments from automatic spending cuts are exerting strong downward pressure on the growth and could dampen the pace of recovery.

Japanese economy, after years of deflation and negligible growth, is expected to experience growth in the year 2013-14.

Europe's financial system largely stabilised during the past year after the European Central Bank announced that it would buy the government bonds of deeply indebted countries to lower their borrowing costs. But many of the countries in Euro Zone remain in recession. Many of the Euro Zone countries are cutting spending sharply and raising taxes to reduce their debts, but the austerity strategies are stifling growth and further aggravating the already high levels of unemployment.

Overall the prospects for global economy in the financial year 2013-14 appear to be moderately brighter in comparison to the previous year. However, the optimism can only be sustained through further policy actions that address underlying stability risks and promote continued economic recovery.

- **Domestic Economy:**

Our Country's Gross Domestic Product growth (GDP) growth in the financial year 2012-13 was dismal, estimated at 5%. The dismal growth was mainly due to the protracted weakness in industrial activity aggravated by domestic supply bottlenecks and also slowdown in the services sector reflecting weak external demand. Large current account deficit, depleting foreign investments, depreciating rupee and slackened external demand also dragged down growth rates.

Headline inflation moderation, starting in the later part of the last financial year, continued year-long to average 7.3% in the financial year 2012-13 from 9% of the previous year. However consumer price inflation continued in double digits, reflecting substantial food inflation pressures.

- **Economy Outlook for 2013-14.**

Indian economy is expected to show modest improvement in the financial year 2013-14; with a pick-up likely in the later part of the year. Agricultural growth could stay close to trend lines if supported by normal monsoon. Although improved private consumption and rise in exports are expected in the financial year 2013-14, the industrial growth will largely remain subdued, with the pipeline of new investment drying up and existing projects stalled by bottlenecks and implementation gaps. Services sector is also likely to remain suppressed due to sluggish external demand.

INDUSTRY STRUCTURE & DEVELOPMENTS

In today's situation, India's housing finance industry comprises of banks and specialised housing finance companies. Given India's rapid population growth, increasing urbanisation and raising affordability, the housing finance market will continue to grow. However, considering the fast penetration by banks in housing finance market, Housing Finance Companies, which are in a position to have access to low cost of funds, better credit control and customer focus will be in a position to sustain the growth. With the increase in urbanisation and improving affordability, the demand for mortgage loans will continue to grow at a healthy pace. Further, steady prices and continuation of tax concessions to self-occupied home borrowers are contributors to the growth of the industry. The average age of the borrowers has declined over the years, while the number of double income households has grown significantly which enabled them to borrow higher loan amount due to higher repaying capacity.

India's population is estimated to be 1.38 billion by 2020, with 500 million of urban population, which is estimated to generate unprecedented demand for quality real estate and infrastructure. The growing demand for new houses surpasses the supply several times and this stage of demand of supply ratio has led to a steep rise in residential rates in urban areas. Despite the enormous growth in the housing supply in the last decade, India will still suffer from a severe crisis due to shortage in housing supply.

Global experience offers many options for meeting the housing challenge, ranging from public housing programmes and encouraging private sector developers. Earmarking of adequate land for housing in the city master plans; building of an institutional framework that facilitates affordable housing; will make housing more affordable to larger numbers of people, including the middle class and the poor.

Residential property market constitutes major portion of the real estate market in India in terms of volume. Housing is a significant engine for growth and development for the economy. Considering the housing shortage at the beginning of the 11th Plan period



i.e. 24.71 million units, the total requirement of housing during the 11th Plan Period (2007-2012) works out to be 26.53 million units. The total funds required to meet the construction of dwelling units during the 11th Plan period will be around Rs.3.61 lakh crores. Hence, immediate measures are required to promote larger flow of funds through development of Secondary Mortgage Market (securitization), promotion of Foreign Direct Investment in housing and real estate sectors, permitting Housing Finance Companies to raise resources through External Commercial Borrowings, creation of Housing Investment Trust or Real Estate Investment Trust, Real Estate Mutual Fund etc., to accelerate supply of housing to cross-section of households. There is a pressing need for improving the “availability” and “affordability” of housing loans for the home seekers in the Economically Weaker Section segment. [Source: Review of 11th Plan: CHAPTER III - Housing Requirement Projections for 11th Plan (2007-2012)].

A major policy concern for India is the widening gap between demand and supply of housing units and inadequate housing finance solutions. Investments in housing result in higher capital formation as it contributes to national wealth. Home ownership is also a measure of country's economic and social development. Though the housing finance sector in India has experienced buoyant growth over the past several years, the homelessness amongst the lower segments of population has continued to increase. “Affordable Housing” has crucial implications for the country as the market needs balanced and sustainable funding models, and pro-active participation of all stakeholders.

OPPORTUNITIES & THREATS

The housing sector in the Country has been growing progressively and has a vast potential for further growth. Considering the projected housing shortage during the 11th Plan Period is around 26.53 million units; indicating a huge growth potential for the housing sector and in turn present a fantastic growth opportunity for the housing finance industry.

With growing number of players and mainly “Scheduled Commercial Banks” becoming very aggressive in this segment; the housing finance sector is increasingly becoming market driven. Overall, the affordability of housing loans clearly appears to have improved with fast growing number of borrowers. The Government is taking continuous efforts to improve housing and habitat conditions by way of financial allocations in the Five Year Plans and fiscal measures related to housing announced in the Union Budgets. In the Finance Bill, 2013, the following positive measures were announced for growth of housing and growth in supply of housing finance:

- Additional deduction of interest up to Rs.1 lakh for a first home buyer for a taking loan up to Rs.25 lakhs; the value of the house does not exceed Rs.40 lakhs and the loan is sanctioned between 1st April, 2013 to 31st March, 2014.
- Enhancing provisions under Rural Housing Fund from Rs.4000 crores to Rs.6000 crore.
- Proposed to set up Urban Housing Fund by National Housing Bank and allotting Rs.2000 crores to the fund in the year 2013-14. The purpose of the fund is to mitigate the huge shortage of housing in urban areas.
- Relief for tax payers in the first bracket of Rs.2 lakhs to Rs.5 lakhs. A tax credit of Rs.2000 to every person with total income up to Rs.5 lakhs.

National Housing Bank recently formed a joint venture company India Mortgage Guarantee Corporation Pvt., Ltd to extend mortgage guarantee to banks and housing finance companies against default by home loan borroweRs. This is a welcome step and likely to soften the interest rates on home loans. Reserve Bank of India in their Monetary Policy statement 2013-14, considering the residential housing sector poses lower risk than the other components of Commercial Real Estate Sector, proposed to carve out a sub sector “CRE Residential Housing” within the CRE sector with appropriate prudential norms on risk weights and provisioning. The proposed move will enable developers to get cheaper loan from Banks which would help in bringing down the cost of construction. Reserve Bank of India vide their circular dated 17th December, 2012, permitted Developers /Builders with proven financial track record and Housing Finance Companies which are registered with National Housing Bank subject to satisfying other conditions to resort to External Commercial borrowings for developing /funding of home buyers for the low cost affordable housing projects. The maximum permissible loan amount to the individual under this borrowing programme shall not exceed Rs.25 lakhs subject the cost of individual housing unit does not exceed Rs.30 lakhs. The said ECB will facilitate availability of funds at a reasonable rate for undertaking affordable housing projects. Recently cabinet also cleared Real Estate (Regulation and Development) Bill that provides for creation of Regulator for the real estate sector which aims to establish a regulatory authority for enforcement of fair practices, accountability and fast track for dispute resolution mechanism.

While the future growth outlook of the housing market looks reasonably good, with the sector becoming more demand driven, the challenge lies in its inclusiveness. Presently access to formal credit is mostly available to the people in the formal sector who are salaried and have dominant incomes.

There is a lot of potential in urban areas also for housing finance to penetrate. India will ride the wave of urban expansion. The urban population share may reach 50 per cent in 25 years adding 300 to 400 million people to the existing population of about 350 million in urban areas (Source: Mid-Term appraisal of the 11th Five Year Plan). The potential rise in urban households will also be potential customer base for Housing Finance Companies.



Housing being one of the low risk asset classes for financiers and hence scheduled commercial banks has become very aggressive in this segment, which are having established network across the country and also have access to funds at a relatively cheaper rate. With the active presence of scheduled banks in the housing finance segment, the market dynamics will play a pivotal role in determining the lending rates and consequently will affect the margins of “stand alone housing finance companies”, for which the availability of longer term funds at affordable rates is a cause of concern. The introduction of “Base Rate” system in the Banking resulted in gradual increase in cost of funds for housing finance industry. Housing Finance Companies has to necessarily scout for alternate cheap source of funding.

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.

OUTLOOK

Bringing real estate activity within the ambit of “Service tax” resulted in additional burden on the home buyers and consequently affected the affordability for majority of home loan seekers. The recent decision to introduce one per cent TDS (tax deducted at source) on transfer of immovable property if the sale consideration exceeds Rs.50 lakhs to some extent prolong the home buying process as it is the responsibility of the individual home buyer to ensure compliance of the said provisions of the Act.

The real estate market in India is overpriced resulting in a dream like situation for the real end users. A reasonable correction in prices will enable many eager home buyers to own a house at affordable price.

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. Your Company's majority of housing loan advances are on variable rate of interest basis and normally any movement in rate of borrowings is hedged by the loans advanced at variable rates to a certain extent. Further, depending upon the liquidity position, loans with higher rates of interest would be replaced with borrowings at comparatively lower rates in order to bring down the cost of funds to a certain extent. The Company's borrowing is planned duly taking into consideration ALM Gaps, interest rate mismatches. But this depends on the prevailing market conditions. The prime lending rate of the Company is regularly reviewed and revised as it is the benchmark for asset pricing. Since majority of the asset portfolio is on the floating rate, Company is in a position to revise the lending rates consequent upon the revision in prime lending rate of the Company at specified intervals.

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. Adequate records and documents are maintained as required by law from time to time. Internal audit checks are conducted regularly and internal auditor's recommendations are reviewed for improving systems and procedures. The internal control system is improved and modified continuously to meet the changes in business conditions, 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. Internal audits and checks are regularly conducted and internal auditor's recommendations are reviewed after which systems and procedures are adopted for improvement.

**INFORMATION TECHNOLOGY**

During the year, Your Company has moved towards “Central Data Base” platform i.e. “core housing finance solutions” which is a step towards aligning technology to the projected business growth. All our branch operations are in the “central data base platform”. The steps taken to upgrade Information Technology platform will facilitate your Company to serve the customer(s) in an efficient manner, which is also an integral part of the control mechanism.

MARKETING

The marketing of your Company’s home loan products are done through direct sales, through Direct Selling Agents & 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 33 branches and 9 outreach and collection centres spread across the country. Your Company has also engaged Business Development Managers, whose sole function is marketing of our various home loan products. Your Company is also giving its thrust to improve the average yield on advances by selling more number of “mortgage loans” (i.e. Loans against the property” - LAP); for which the margin is high compared to the loans for purchase of homes.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS

The Company has a dedicated team of 198 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.

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Your Company has developed a comprehensive “in-house” induction training module to make sure that new employees understand the basic aspect of the Company in its all operations.

In pursuance of the Company’s commitment to develop and retain the best available talent, the Company has been sponsoring employees for training programmes organized by reputed professional institutions and by National Housing Bank for upgrading their skill and knowledge in different operational areas.

RELATED PARTY TRANSACTIONS

The Related Party Transactions with details are furnished in the Notes on Accounts (vide Note No 2.23 point No 9), 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: 10th May, 2013

Warendra Sinha
Managing Director



CORPORATE GOVERNANCE REPORT

REPORT OF DIRECTORS ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximising value for all its stakeholders.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board;
- Availability of information to the members of the Board and Board Committees to enable them discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Appropriate systems and processes for internal control; and
- Ethical business conduct by the Board, Senior Management and employees.

The Company's Board follows ethical standards of Corporate Governance and adheres to the norms and disclosures mentioned in the Clause 49 of the Listing Agreement with stock exchanges.

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 presently comprises 11 members. Most of the members of the Board are Independent & Non Executive Directors including Nominee Directors.

Sr. No.	Name of the Director	Executive/ Non Executive/ Independent	No. of Directorships	No. of Committees	
				Member	Chairperson
1	Shri Ashok K. Roy (Non Executive Chairman) (Nominee GIC)	Nominee Director	8	3	Nil
2	Shri G. Srinivasan	Non Executive/ Independent Director	4	Nil	Nil
3	Shri N.S.R. Chandraprasad	Non Executive/ Independent Director	3	7	6
4	Dr. A. K. Saxena (from 16 th October, 2012)	Non Executive/ Independent Director	2	1	1
5	Shri Milind A. Kharat (from 8 th January, 2013))	Non Executive/ Independent Director	3	4	4
6	Shri N. R. Ranganathan (Nominee GIC)	Nominee Director	Nil	Nil	Nil
7	Shri M. K. Tandon	Non Executive/ Independent Director	4	7	3
8	Shri A. R. Sekar	Non Executive/ Independent Director	5	Nil	Nil
9	Shri N. Mohan	Non Executive/ Independent Director	1	Nil	Nil
10	Shri Manu Chadha	Non Executive/ Independent Director	5	2	1
11	Shri Warendra Sinha (from 31 st December, 2012))	Managing Director	Nil	Nil	Nil

The Directors furnish a notice of disclosure of interest as specified in Section 299(1) of the Companies Act, 1956. The Company maintains Register of Contracts and details of companies and firms in which Directors are interested as provided in Section 301(1) of the Companies Act, 1956. 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 255 and 256 of the Companies Act, 1956, two thirds 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, 1956, and Article 125 of the Articles of Association of the Company, S/shri M. K. Tandon and Manu Chadha Directors, who were appointed as Directors in the Board in the year 1999 and 2002 respectively are due to retire by rotation at this Annual General Meeting and are not seeking re-election.

Dr. A. K. Saxena was appointed as an Additional Director on 16th October, 2012 and Shri Milind A. Kharat was appointed as an Additional Director on 8th January, 2013 and they offer themselves for appointment. Shri Warendra Sinha, Managing Director was appointed on 31st December, 2012. Your Directors recommend 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

RESPONSIBILITIES OF THE BOARD:

The Board of Directors provide direction/guidance to the management, review performance and ensure ongoing compliances to protect long-term interest of the shareholders.

The Board discharges the duties and responsibilities as required under the various statute(s) as are applicable to the Company, like the Companies Act, 1956, Directions/ Guidelines/ Regulations issued by the Securities Exchange Board of India (SEBI), National Housing Bank (NHB) and other Regulatory Authorities, issued from time to time, including reporting to the shareholders. The Board interalia, reviews the annual business plans, periodically studies the actual performance vis-à-vis the targets fixed, quarterly financial results, minutes of various committees constituted by the Board, status of NPA and updates and reviews thereof, significant changes in policies and internal controls, show cause, demand, prosecution and penalty notices, if any, received and which are materially important, material defaults, if any, in financial obligations to and by the Company, claims on Company, significant development in Human Resources/ Industrial Relations and non-compliance, if any, under any regulatory, statutory or listing agreements.

The members of the Board ensure that other responsibilities do not have any material impact on their responsibility as a Director of the Company. The day to day operations of the Company are conducted by the Managing Director, subject to the supervision and control of the Board of Directors. The composition of the Board of Directors meets the requirements of Clause 49 (1) (A) of the Listing Agreement. None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees (as specified in clause 49), across all Companies in which they are Directors.

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 five times during the year on 8th May, 2012; 17th July, 2012; 16th October, 2012; 19th January, 2013 and 22nd March, 2013. The gap between two meetings did not exceed four months.

Attendance Record of Directors: Number of Board Meetings held: 5

Name of the Director	Number of Meetings attended	Whether attended last AGM held on 27 th July, 2011
Shri Ashok K. Roy	5	Yes
Shri G. Srinivasan	1	No
Shri N.S.R. Chandraprasad	Nil	No
Dr. R. K. Kaul	1	NA
Dr. A. K. Saxena	1	NA
Shri Milind A. Kharat	1	NA
Shri N. R. Ranganathan (Nominee GIC)	5	Yes
Shri M. K. Tandon	5	Yes
Shri A. R. Sekar	2	Yes
Shri N. Mohan	4	Yes
Shri Manu Chadha	4	Yes
Shri M. Sivaraman	3	Yes
Shri Warendra Sinha	2	NA



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 M. K. Tandon, Director, as the Chairman of the Committee, Shri Manu Chadha and Shri N. Mohan; Directors are its other members. The members of the Committee are experienced Directors having knowledge of Accounts, Law and other related subjects. The quorum for the meeting is two Independent Directors. The Chairman and other members of the Committee are Independent Directors. The composition, quorum, powers, role, review of information, scope etc. of the audit committee is in accordance with Section 292 A of the Companies Act, 1956 and the provisions of Clause 49 (II)(A), (B), (C), (D) and (E) of the Listing Agreement.

The powers, role and scope of the Audit Committee are as per Clause 49 of listing agreement(s), issued as per the directions of SEBI. 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 five times during the year under review on 7th May, 2012, 16th July, 2012, 4th September, 2012, 15th October, 2012, 18th January, 2013. Senior officials, Internal Audit head 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: 5

Sr. No.	Name of the Director	Number of Meetings Attended
1	Shri M. K. Tandon	5
2	Shri Manu Chadha	5
4	Shri N. Mohan	5

REMUNERATION OF DIRECTORS

The Non Executive Directors of our Company were paid only the eligible sitting fees for attending meetings and no other remuneration has been paid.

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

Sr. No.	Name of the Non Executive Director	Sitting Fees Paid (Rs.)
1	Shri N. R. Ranganathan	95,000/-
2	Shri M. K. Tandon	2,66,000/-
3	Shri Manu Chadha	2,28,000/-

The details of the Remuneration paid to the Managing Director for the year 2012-13 are as follows:

Shri M. Sivaraman (up to 31st October, 2012)

Particulars	Amount (Rs.)
Salary (includes arrears of salary)	31,01,340/-
Contribution to Pension and Other funds	42,070/-
Perquisites	4,96,053/-
Total	36,39,463/-

**Shri Warendra Sinha**

Particulars	Amount (Rs.)
Salary (includes arrears of salary)	4,34,657/-
Contribution to Pension and Other funds	49,734/-
Perquisites	5,89,124/-
Total	10,73,515/-

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS:

Sr. No.	Name of the Director	Number of shares held
1	Shri Ashok K. Roy	Nil
2	Shri G. Srinivasan	Nil
3	Shri N.S.R. Chandraprasad	Nil
4	Dr. A. K. Saxena	Nil
5	Shri Milind Kharat	Nil
6	Shri N. R. Ranganathan (Nominee GIC)	Nil
7	Shri M. K. Tandon	Nil
8	Shri A. R. Sekar	Nil
9	Shri N. Mohan	Nil
10	Shri Manu Chadha	Nil

SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

The Committee was constituted in the year March 1995. It presently consists of 3 Directors. Shri N. Mohan, Director is the Chairman of the Committee. The other members include Shri M. K. Tandon and Shri Manu Chadha.

All the members of the Committee are Non Executive/Independent Directors. 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, 1956" 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 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, 31 queries were received, which were replied/ resolved to the satisfaction of the shareholders. There are no pending share transfers. The minutes of the Shareholders'/Investors Grievances Committee are circulated to the Board and noted by the Board of Directors at the Board Meetings.

REMUNERATION COMMITTEE

The Remuneration Committee was constituted by the Board in its meeting held on 6th May, 2009. The terms of reference of the Remuneration Committee includes to decide and recommend to the Board the relevant parameters for payment of "performance incentive to the Managing Director" and the quantum of incentive.

The Remuneration Committee consists of two Independent Directors' viz., Shri N. Mohan, Chairman and Shri M. K. Tandon.

ASSET LIABILITY MANAGEMENT COMMITTEE

Asset Liability Management Committee of the Board consists of Shri Manu Chadha, Chairman of the Committee, Shri M. K. Tandon, Member and Shri Warendra Sinha, Member.

Compliance Officer: Shri S. Sridharan, Senior Vice President & Company Secretary

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



COMMUNICATION TO THE SHAREHOLDERS

The main source of information to the shareholders is the Annual Report, which includes *inter alia*, 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 in 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
2009-10	27 th July, 2010	4.00 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 th Floor, General Jagannath Bhosale Marg, Mumbai – 400021.
2010-11	27 th July, 2011	4.00 p.m.	Yashwantrao Chavan Pratishthan Mumbai, Chavan Centre, Cultural Hall, 4 th Floor, General Jagannath Bhosale Marg, Mumbai – 400021.
2011-12	17 th July, 2012	4.00 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
27 th July, 2010 (AGM)	1	1. Appointment of Statutory Auditors.
27 th July, 2011 (AGM)	2	1. Appointment of Statutory Auditors. 2. Amendments in the Article of Association of the Company.
17 th July, 2012 (AGM)	1	1. Appointment of Statutory Auditors

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. 2.23 point No 9).

- 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) The Company has complied with the applicable Accounting Standards issued by the Institute of the Chartered Accountants of India from time to time.
- d) The Company has laid down procedures to appraise the Board of Directors regarding key risk assessment and risk mitigation mechanisms.
- e) REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Non-Executive Directors of the Company are paid only sitting fees for attending meetings of the Board and Committees.



f) RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, a qualified practicing Company Secretary carries out audit to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) with the total issued, paid-up and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total Listed and Paid up Capital is in agreement with the aggregate number of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL). The said audit report is placed before the Shareholders Grievance Committee for review and before the Board for noting.

g) SUBSIDIARIES

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

h) 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.

i) AUDIT QUALIFICATION

There is no qualification on any of the financial statements for the financial year 2012-13 of the Company.

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

Place: Mumbai

Date: 10th May, 2013

Warendra Sinha
Managing Director



SHAREHOLDERS INFORMATION:

1. **Twenty-third Annual General Meeting:** Date : Friday, 26th July, 2013
 Time : 3.30 p.m.
 Venue : Indian Merchants' Chamber,
 Walchand Hirachand Hall, 4th Floor,
 Indian Merchants' Chamber Marg,
 Churchgate, Mumbai – 400020.

2. **Financial Calendar for the year 2013-14. (Provisional)**

Results for the first quarter ending 30 th June, 2013 (Subject to Limited Review)	Before the end of July, 2013
Results for the second quarter ending 30 th September, 2013 (Subject to Limited Review)	Before the end of October, 2013
Results for the third quarter ending 31 st December, 2013 (Subject to Limited Review)	Before the end of January, 2014
Audited Results for the financial year ending 31 st March, 2014	Before the end of May, 2014
Annual General Meeting for the year ending March, 2014	Before the end of August, 2014.

The Directors furnish a notice of disclosure of interest as specified in Section 299(1) of the Companies Act, 1956. The Company maintains Register of Contracts and details of companies and firms in which Directors are interested as provided in Section 301(1) of the Companies Act, 1956. 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 255 and 256 of the Companies Act, 1956, two thirds 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.

3. **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 **20th July, 2013 to 26th July, 2013** (both days inclusive) and was notified accordingly.

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

Equity Shares - The equity shares issued by the Company are listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Annual Listing fees as prescribed have been paid to both the stock exchanges for the year 2013-14.

Scrip Code for Equity shares

- National Stock Exchange: GICHSGFIN
- Bombay Stock Exchange: 511676

Non Convertible Debentures (NCD) - The Non Convertible Debentures issued by the Company are listed with the Bombay Stock Exchange of India. Annual Listing fees as prescribed have been paid to the Bombay Stock Exchange Ltd.

Scrip Code for Non Convertible Debentures

- Bombay Stock Exchange: 948077

5. **Dematerialisation of shares**

With effect from 20th August, 2000, the Equity Shares of the Company are to be traded compulsorily in Dematerialised form. 98.83% of the paid-up Equity Capital has been dematerialised as on 31st March, 2013.

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 - INE289B07016



6. 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, 1956. Dividend will be paid on or after 8th August, 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.

7. 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) (Rs.)		QUOTE (Rs.)		VOLUME OF SHARES (Nos.)	
	High	Low	High	Low	High	Low
April 2012	17597.42	17094.51	93.40	86.05	152905	1870
May 2012	17301.91	15948.10	88.15	85.45	206746	3583
June 2012	17429.98	15965.16	94.95	85.45	70678	10867
July 2012	17618.35	16639.82	95.90	84.10	341106	6133
August 2012	17885.26	17197.93	88.25	83.60	98296	1764
September 2012	18762.74	17313.34	97.45	84.40	764676	706
October 2012	19058.15	18430.85	122.25	95.85	1114149	32403
November 2012	19339.90	18309.37	122.05	114.40	342570	30150
December 2012	19486.80	19229.26	128.10	118.55	229212	17258
January 2013	20103.53	19580.81	149.35	132.45	415826	23454
February 2013	19781.19	18861.54	134.95	115.80	117379	29838
March 2013	19683.23	18681.42	123.30	101.35	121604	19189

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

MONTH	INDEX (NIFTY) (Rs.)		QUOTE (Rs.)		VOLUME OF SHARES (Nos.)	
	High	Low	High	Low	High	Low
April 2012	5358.50	5189.00	93.25	86.30	488799	13201
May 2012	5239.15	4835.65	88.50	85.30	408362	16398
June 2012	5278.90	4841.60	94.75	85.50	140755	17116
July 2012	5345.35	5043.00	95.95	84.25	389034	28216
August 2012	5421.00	5215.70	88.20	83.45	247769	12339
September 2012	5703.30	5225.70	97.00	84.80	1549998	1974
October 2012	5787.60	5597.90	121.75	95.60	2909464	66900
November 2012	5879.85	5571.40	121.95	114.50	876506	55508
December 2012	5930.90	5847.70	128.25	118.05	674535	61807
January 2013	6082.30	5950.85	149.65	132.50	1594715	58971
February 2013	5998.90	5693.05	135.40	115.90	318954	45079
March 2013	5945.70	5633.85	123.35	101.45	207447	40568



8. Distribution of Shareholding as on 31st March, 2013

DESCRIPTION	HOLDER (S)		HOLDING (S)	
	FOLIOS	%	SHARES	%
Less than 500	35845	87.707	4903726	9.106
501 – 1000	2492	6.098	2060744	3.827
1001 – 2000	1139	2.787	1767434	3.282
2001 – 3000	431	1.055	1117300	2.075
3001 – 4000	220	0.538	798238	1.482
4001 – 5000	209	0.511	998871	1.855
5001 – 10000	255	0.624	1911555	3.550
More than 10000	278	0.680	40293198	74.823
Total	40869	100.00	53851066	100.00

9. Shareholding pattern as at 31st March, 2013.

CATEGORY	NO OF SHARES	%
Promoters	22450119	41.69
Mutual Funds	350121	0.65
Banks, Financial Institutions/ Insurance Companies (Central/ State Govt. Institutions/ Non Government Institutions)	2783834	5.17
Private Corporate Bodies	5311488	9.86
NRIs	778181	1.45
Foreign Institutional Investors	2160418	4.01
Trusts	52500	0.10
Indian Public	19964405	37.07
Total	53851066	100.00

10. Compliance Officer: **Shri S. Sridharan**
Senior Vice President & Company Secretary

11. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity:
Not Applicable.

12. Plant Location: Not Applicable

13. Registrars, Share Transfer Agents & Shareholders Correspondence

M/s. Sharepro Services (India) Pvt. Limited

13AB, Samhita Warehousing Complex,
Second Floor, Sakinaka Telephone Exchange Lane,
Off. Andheri Kurla Road,
Sakinaka, Andheri (East),
Mumbai - 400072

Tel.: 022 – 67720300/ 67720400 Fax – 022 – 28591568/ 28508927.

E-mail – sharepro@shareproservices.com



14. Share Transfer System

All the transfers are processed by the Registrars and Share Transfer Agents namely, **M/s. Sharepro Services (India) Pvt. 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 205A(5) of the Companies Act, 1956, 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 205C (1) of the Companies Act, 1956. Further, in terms of Section 205 C, no payments shall be made by the Company in respect of claims made after the above period of 7 years. The Company in addition to sending annual reminder letters requesting the respective shareholders to encash their dividend warrants, also 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 2005-06 is November, 2013.

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

The Members may please note that after the unpaid dividend is transferred to the said Fund, no claim shall lie against the Company or the Fund.

BANK ACCOUNT PARTICULARS

The Members holding shares in physical mode are requested to furnish their latest bank account number/ particulars (comprising 13 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. This would avoid any fraudulent encashment of warrants and facilitate for payment of dividend through NECS.

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 13 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 2B, 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. Every shareholder in a Company may at any time, nominate in the prescribed manner, a person to whom his shares in the Company shall vest in the event of his death. Only individual shareholder(s) applying for/ holding shares on his/ their behalf can make nomination. If the shares are held jointly, all the holders may jointly nominate an individual person as their nominee. Nomination stands automatically rescinded on transfer/ dematerialisation of shares.

15. Non-Mandatory Requirements

1. Chairman of the Board

Chairman (Non-executive Director) of our Board is Chairman cum Managing Director of General Insurance Corporation of India.

2. Remuneration Committee

The Managing Director of the Company is on deputation from General Insurance Corporation of India (GIC Re) and his salaries and allowances are paid on the terms and conditions as applicable to the grade (Scale VII) of General Manager of General Insurance Corporation of India (GIC Re). The Remuneration Committee was constituted by the Board in its meeting held on 6th May, 2009. The terms of reference of the Remuneration Committee includes to decide and recommend to the Board the relevant parameters for payment of "performance incentive to the Managing Director" and the quantum of incentive.



3. Shareholders Rights

The financial results are well published in the press. The details are as follows:

Quarter Ended	Details of Publication	
31.03.2012	Audited Financial Results	Economic Times, Maharashtra Times & Business Line dated 9 th May, 2012.
30.06.2012	Unaudited Financial Results (Subject to Limited Review Report)	Economic Times, Maharashtra Times & Business Line dated 18 th July, 2012.
30.09.2012	Unaudited Financial Results (Subject to Limited Review Report)	Economic Times, Maharashtra Times & Business Line dated 17 th October, 2012.
31.12.2012	Unaudited Financial Results (Subject to Limited Review Report)	Economic Times, Maharashtra Times & Business Line dated 21 st January, 2013.
31.03.2013	Audited Financial Results	Economic Times, Maharashtra Times & Business Line dated 11 th May, 2013.



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 of GIC Housing Finance Ltd., and as required under Clause 49(l)(D)(ii) of the Listing Agreement 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 2012-13.

Warendra Sinha
Managing Director

Place: Mumbai

Date: 10th May, 2013



AUDITORS' CERTIFICATE

To the Members of the GIC Housing Finance Ltd.

We have examined the compliance of conditions of Corporate Governance by GIC Housing Finance Ltd. for the year ended on 31st March, 2013 as stipulated by clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures adopted and implementation thereof by the Company for ensuring compliance with the conditions as stipulated in the said clause, it is not an audit or expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to 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 Clause 49 of the Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders/Investor Grievance Committee.

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

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Registration No. 101961W

Place : Mumbai
Date : 10th May,2013

Suresh S. Agaskar
Partner
Membership No. 110321



INDEPENDENT AUDITORS' REPORT

**To the Members,
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, 2013 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.



- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Registration No. 101961W

Place : Mumbai
Date : 10th May,2013

Suresh S. Agaskar
Partner
Membership No. 110321



ANNEXURE TO INDEPENDENT AUDITORS' REPORT

As required by the Companies' (Auditors' Report) Order, 2003 and according to the information and explanations given to us during the course of the audit and on the basis of such checks as were considered appropriate, we report that:

- 1 (a) The company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets;
- (b) As per the information and explanations given to us, the management carries out the physical verification of the fixed assets at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) No significant fixed assets have been disposed of by the company during the year and the question of effect on the going concern of the Company does not arise.
2. Since the company is engaged in providing housing finance, the clauses relating to stock-in-trade are not applicable.
- 3 (a) During the year the company has not granted any loans to the parties covered in the register maintained under section 301 of the Companies Act, 1956. However in the earlier year housing loan was given to Managing Director. The maximum amount involved and the yearend balance of this loan is Rs.23.85 lakhs (Previous Year Rs.25 lakhs) and Nil (Previous Year Rs.23.85 lakhs) respectively.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of such loan are not, prima facie, prejudicial to the interest of the company.
- (c) As per the terms and conditions of the loan, the company has received payment of interest and principal amount regularly.
- (d) There is no overdue amount in excess of Rs.1 lakh in respect of housing loan granted to Managing Director of the company, or other party covered in the register maintained under section 301 of the Companies Act, 1956.
- (e) As per the information furnished, the Company has not accepted loans from companies, firms or other parties covered in the register, maintained under section 301 of the Companies Act, 1956. Accordingly clauses (f) and (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for sale of services. The nature of the Company's business is such that it does not involve purchase and sale of goods. During the course of our audit, we have not observed any major weakness in such internal control system.
- 5 (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, except for housing loan given to Managing Director, there is no other transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956 and aggregating to Rs.5 lakhs or more in respect of each party during the year. The terms of and interest on such loan are in accordance with the company policy in respect of Employees Housing Loans.
6. The Company has not accepted deposits from the public and therefore the question of compliance with the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules made there under for the deposits accepted from the public does not arise.
7. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.
8. Since the company is in the services sector, the question of maintaining cost records u/s 209(1)(d) of the Companies Act, 1956 does not arise.
9. (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities and there are no undisputed statutory dues outstanding as at 31st March 2013, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, service tax, excise duty and cess which have not been deposited on account of any dispute.



10. The company has no accumulated losses as on 31st March 2013 and no cash losses in the immediately preceding financial year. The Company has not incurred any cash loss during the financial year.
11. The company has not defaulted in repayment of dues to financial institutions or banks.
12. Based on our examination of the records and the information and explanations given to us, the Company has maintained adequate documents and records for housing loans granted by it on the basis of security offered by the borrower.
13. The Company is not a chit fund, nidhi, mutual benefit fund or a society.
14. The Company has maintained proper records and timely entries are being made in respect of its dealing in units of mutual funds. All investments in mutual funds and shares have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
17. According to the information and explanation given to us and on overall examination of the Balance Sheet of the company, we report that funds of Rs.394.37 Crore raised on short-term basis by the Company have been utilized for disbursement of housing loans.
18. According to the information and explanations given to us, the company has not made any preferential allotment of shares during the year, to parties and companies covered in the register maintained under section 301 of the Companies Act 1956. Therefore the question of pricing of shares does not arise.
19. According to information and explanation given to us, during the year the company has issued 1,150 Non-Convertible Debentures of Rs.10,00,000 Each. The company has created charge in respect of debentures issued.
20. The Company has not raised any money by public issues during the year covered by our report and therefore the question of end use thereof does not arise.
21. According to information & explanation provided to us, no fraud by the company has been noticed or reported during the year. As regards fraud on the company during the year, one case of fraud committed by an employee has been reported and the matter is under investigation.

For Contractor, Nayak & Kishnadwala
Chartered Accountants
Firm Registration No. 101961W

Place : Mumbai
Date : 10th May,2013

Suresh S. Agaskar
Partner
Membership No. 110321



BALANCE SHEET AS AT 31ST MARCH, 2013

	NOTE	Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
I. EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share Capital	2.1	5,388		5,388
Reserves and Surplus	2.2	49,685	55,073	44,332
				49,720
NON-CURRENT LIABILITIES				
Long-Term Borrowings	2.3	3,00,202		2,83,096
Long-Term Provisions	2.4	16,398	3,16,600	13,678
				2,96,774
CURRENT LIABILITIES				
Short-Term Borrowings	2.5	39,437		33,589
Trade Payables	2.6	367		157
Other Current Liabilities :	2.7			
- Borrowings		57,641		42,803
- Others		2,798		2,404
Short-Term Provisions	2.8	3,217		2,887
			1,03,460	81,840
	TOTAL		4,75,133	4,28,334
II. ASSETS				
NON-CURRENT ASSETS				
Fixed assets				
Tangible Assets	2.9	467		431
Intangible Assets		174		3
Intangible Assets Under Development		-		212
			641	646
Non-Current Investments	2.10	993		1,035
Deferred Tax Assets (Net)		5,161		4,252
Long-Term Loans and Advances	2.11	1,410		1,327
			7,564	6,614
HOUSING LOANS				
Non Current	2.12	4,32,428		3,67,889
Current		21,487		19,268
			4,53,915	3,87,157
CURRENT ASSETS				
Trade Receivables	2.13	925		589
Cash and Bank Balances	2.14	11,355		32,003
Short-Term Loans and Advances	2.15	124		198
Other Current Assets	2.16	609		1,127
			13,013	33,917
	TOTAL		4,75,133	4,28,334
Significant Accounting Policies	1			
Notes forming part of Accounts	2.23			

As per our Report attached of even date

For and on behalf of the Board of Directors

Contractor, Nayak & Kishnadwala
Chartered Accountants
ICAI Firm Reg.No.101961W

(Suresh Agaskar)
Partner
Membership No.110321

Ashok K. Roy
Chairman

M.K. Tandon
Director

N. Mohan
Director

Place : Mumbai
Date : 10th May,2013

Warendra Sinha
Managing Director

S. Sridharan
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTE	For the year ended 31.03.2013 Rs.in Lacs	For the year ended 31.03.2012 Rs.in Lacs
REVENUE:			
Revenue from Operations			
(a) Interest Income	2.17	53,746	42,342
(b) Other Financial Services	2.18	1,474	1,276
Other Income	2.19	170	324
Total Revenue		(A) 55,390	43,942
EXPENDITURE:			
Finance Cost	2.20	37,323	31,125
Employee Benefits Expenses	2.21	1,283	1,068
Depreciation and Amortisation	2.9	209	83
Other Expenses	2.22	2,578	1,853
Provision for Non-performing assets and Contingencies (net)		2,693	1,927
Total Expenditure		(B) 44,086	36,056
PROFIT BEFORE TAX		(A-B) 11,304	7,886
Tax Expense			
- Current Tax		3,710	2,610
- Deferred Tax		(909)	(628)
PROFIT AFTER TAX FOR THE YEAR		8,503	5,904
Earnings Per Share-(Basic & Diluted) face value of Rs.10 each		15.79	10.96
Refer Note 11 of Notes to Accounts		15.79	10.96
Significant Accounting Policies	1		
Notes forming part of Accounts	2.23		

As per our Report attached of even date

For and on behalf of the Board of Directors

Contractor, Nayak & Kishnadwala
Chartered Accountants
ICAI Firm Reg.No.101961W

(Suresh Agaskar)
Partner
Membership No.110321

Ashok K. Roy
Chairman

M.K. Tandon
Director

N. Mohan
Director

Place : Mumbai
Date : 10th May,2013

Warendra Sinha
Managing Director

S. Sridharan
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013**

	Year ended 31.03.2013 Rs.In Lacs	Year ended 31.03.2012 Rs.In Lacs
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS	11,304	7,886
ADJUSTMENTS FOR :		
DEPRECIATION AND AMORTISATION	209	83
PROVISION FOR NON PERFORMING ASSETS & CONTINGENCIES	2,693	1,927
PRIOR PERIOD TAX ADJUSTMENTS (NET)	-	-
(PROFIT)/LOSS ON SALE OF INVESTMENTS	(167)	(323)
DIVIDEND AND INTEREST INCOME ON INVESTMENT	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	14,039	9,573
ADJUSTMENTS FOR :		
(INCREASE)/DECREASE IN LONG TERM LOANS AND ADVANCES	(473)	(452)
(INCREASE)/DECREASE IN NON-CURRENT ASSETS	-	2,072
(INCREASE)/DECREASE IN TRADE RECEIVABLES	(336)	(115)
(INCREASE)/DECREASE IN SHORT TERM LOANS AND ADVANCES	75	(107)
(INCREASE)/DECREASE IN OTHER CURRENT ASSETS	518	(587)
INCREASE/(DECREASE) IN LONG TERM PROVISIONS	27	(4)
INCREASE/(DECREASE) IN SHORT TERM PROVISIONS	61	(53)
INCREASE/(DECREASE) IN TRADE PAYABLES	210	(41)
INCREASE/(DECREASE) IN OTHER CURRENT LIABILITIES	15,232	612
OPERATING PROFIT AFTER WORKING CAPITAL CHANGES	29,353	10,898
ADJUSTMENTS FOR :		
(INCREASE)/DECREASE HOUSING LOANS	(66,758)	(45,526)
CASH GENERATED FROM OPERATING ACTIVITY	(37,405)	(34,628)
TAXES PAID	(3,778)	(2,584)
NET CASH GENERATED FROM OPERATING ACTIVITY	(A) (41,183)	(37,212)
B. CASH FLOW FROM INVESTMENT ACTIVITIES:		
ACQUISITION OF FIXED ASSETS (NET)	(180)	(185)
ACQUISITION OF INTANGIBLE ASSETS (NET)	(26)	(212)
PURCHASE/SALE OF INVESTMENTS (NET)	167	2,083
RECEIPT ON REDUCTION IN FACE VALUE OF INVESTMENT	42	-
INVESTMENT IN BANK DEPOSITS HAVING MATURITY OF MORE THAN 3 MONTHS	14,988	(8,585)
DIVIDEND AND INTEREST INCOME ON INVESTMENT	-	-
NET CASH GENERATED FROM INVESTING ACTIVITY	(B) 14,991	(6,899)



	Year ended 31.03.2013 Rs.In Lacs	Year ended 31.03.2012 Rs.In Lacs
C. CASH FLOW FROM FINANCING ACTIVITIES:		
LONG TERM LOANS BORROWED (NET OF REPAYMENTS)	5,607	47,061
LONG TERM NON CONVERTIBLE DEBENTURES (NET OF REPAYMENTS)	11,500	-
SHORT TERM LOANS BORROWED (NET OF REPAYMENTS)	5,848	3,589
DIVIDEND PAID ON EQUITY SHARES	(2,423)	(2,962)
NET CASH GENERATED FROM FINANCING ACTIVITY	(C) 20,532	47,688
NET INCREASE/(DECREASE) OF CASH & CASH EQUIVALENTS	(A+B+C) (5,660)	3,577
CASH & CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	10,878	7,301
CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR	<u>5,218</u>	<u>10,878</u>
COMPONENTS OF CASH AND CASH EQUIVALENTS		
CASH ON HAND	51	44
REMITTANCES IN TRANSIT	109	12
BALANCE WITH BANK		
- ON CURRENT ACCOUNTS	4,977	3,751
- ON UNPAID DIVIDEND ACCOUNT	81	71
- ON DEPOSITS HAVING MATURITY FOR LESS THAN THREE MONTHS	-	7,000
	<u>5,218</u>	<u>10,878</u>

As per our Report attached of even date

For and on behalf of the Board of Directors

Contractor, Nayak & Kishnadwala
Chartered Accountants
ICAI Firm Reg.No.101961W

(Suresh Agaskar)
Partner
Membership No.110321

Ashok K. Roy
Chairman

M.K. Tandon
Director

N. Mohan
Director

Place : Mumbai
Date : 10th May,2013

Warendra Sinha
Managing Director

S. Sridharan
Company Secretary

**NOTE 1****SIGNIFICANT ACCOUNTING POLICIES :****1. SYSTEM OF ACCOUNTING :**

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, mandatory Accounting Standards notified by the Companies (Accounting Standards) Amendment Rules, 2011 and the relevant provisions of the Companies Act, 1956. The Company adopts the accrual concept in the preparation of the Financial Statements, following the historical cost convention.

2. PROVISIONING FOR HOUSING LOANS AND INVESTMENTS :

- i. Housing loans are classified into "Performing" and "Non-Performing" assets in terms of guidelines laid down by the National Housing Bank. Housing loans are 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 in accordance with the directives /guidelines laid down by the National Housing Bank.

3. INCOME ON HOUSING LOANS :

- i. Repayment of housing 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 on Housing Loans which are classified as Non- performing assets is recognised on realisation as per the directives/guidelines laid down by National Housing Bank.
- iii. Fees are recognized as and when accrued.
- iv. Penal Interest and other charges are recognised when received.

4. INVESTMENTS:

- i. Investments are accounted and valued at cost plus incidental expenditure incurred in connection with acquisition.
- ii. Investments are classified into two categories i.e. Non-current investments and Current investments.
- iii. Income on Investments which are classified as Non performing is recognised on realisation as per the directives/guidelines laid down by National Housing Bank.

5. FIXED ASSETS :

Fixed Assets are capitalised at cost.

6. DEPRECIATION:

Depreciation on Fixed Assets is provided on the reducing balance method at the rates specified by Schedule XIV of the Companies Act, 1956.

7. INTANGIBLE ASSETS AND AMORTISATION:

Intangible assets comprising of Computer Software are capitalized at cost and amortised over a period of their useful life.

8. EMPLOYEE BENEFITS:

Contribution to Provident Fund is charged to accounts on accrual basis. Provision for leave encashment has been made on the basis of actuarial valuation. Provision for gratuity liability is made on the basis of actuarial valuation in respect of the Group Gratuity Policy with an insurance company.

**NOTE 2.1**

SHARE CAPITAL :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
AUTHORISED CAPITAL :		
Equity Shares		
15,00,00,000 Equity Shares of Rs.10/- each (Previous Year 15,00,00,000 Equity Shares of Rs.10/- each)	15,000	15,000
	<u>15,000</u>	<u>15,000</u>
ISSUED,SUBSCRIBED & PAID UP:		
5,38,51,066 Equity Shares of Rs.10/- each (Previous Year 5,38,51,066 Equity Shares of Rs.10/- each)	5,385	5,385
Forfeited Shares	3	3
TOTAL	<u>5,388</u>	<u>5,388</u>

Reconciliation of the number of shares outstanding

Particulars	As at 31.03.2013		As at 31.03.2012	
	No of Shares	Amount (Rs.in Lacs)	No of Shares	Amount (Rs.in Lacs)
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

Terms/ Rights attached to equity shares

The company has One class of shares referred to as Equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share.

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.

Details of Shareholders holding more than 5% shares in Company

Name of Shareholder	As at 31.03.2013		As at 31.03.2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
General Insurance Corporation of India	82,18,802	15.26	82,18,802	15.26
The New India Assurance Company Limited	44,73,500	8.31	44,73,500	8.31
United India Insurance Company Limited	39,56,000	7.35	39,56,000	7.35
The Oriental Insurance Company Limited	29,75,024	5.52	29,75,024	5.52
Life Insurance Corporation of India	27,12,250	5.04	27,12,250	5.04

Note : The Company has forfeited 53,800 Equity Shares on which amount originally paid up is Rs.2,69,000/-

**NOTE 2.2**

RESERVES AND SURPLUS :	Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
SECURITIES PREMIUM :			
Balance as per last financial year		11,699	11,699
SPECIAL RESERVE :			
1. In terms of Section 29C(1) of the National Housing Bank Act, 1987			
Balance as per last financial year	456		456
Add : Transferred from General Reserve	<u>-</u>		<u>-</u>
		456	456
2. In terms of Section 36(1)(viii) of the Income tax Act, 1961			
Balance as per last financial year	18,470		16,650
Add : Transferred during the year	<u>2,545</u>		<u>1,820</u>
		21,015	18,470
GENERAL RESERVE :			
Balance as per last financial year	13,705		12,891
Less : Transferred to Reserve under 29C(1) of National Housing Bank Act, 1987	-		456
Add : Transferred during the year	<u>2,805</u>		<u>1,270</u>
		16,510	13,705
SURPLUS IN STATEMENT OF PROFIT AND LOSS			
Balance as per last financial statements		2	4
Add : Net Profit for the year		<u>8,503</u>	<u>5,904</u>
Amount available for Appropriation		8,505	5,908
Appropriations :			
- Amount Transferred to General Reserve		2,805	1,270
- Amount Transferred to Special Reserve		2,545	1,820
- Proposed Dividend (Refer Note 3)		2,692	2,423
- Tax On Proposed Dividend		<u>458</u>	<u>393</u>
Net Surplus		<u>5</u>	<u>2</u>
TOTAL		<u>49,685</u>	<u>44,332</u>

- 1) 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.
- 2) A Housing Finance Company can avail income tax relief by creating a special reserve maximum upto 20% of its profits derived from long term housing finance activities u/s.36(1)(viii) of the Income Tax Act, 1961.
- 3) For the year ended 31st March 2013, the Board of Directors has proposed a dividend of Rs.5 per equity share (previous year Rs.4.50 per equity share). On approval in consequent Annual General Meeting, the total dividend appropriation would be Rs.3150 lacs (previous year Rs.2816 lacs), inclusive of Corporate Dividend Distribution Tax of Rs.458 lacs (Previous year Rs.393 lacs).

**NOTE 2.3****LONG-TERM BORROWINGS :****SECURED LOANS****(a) Non Convertible Debentures**

1150, 9.45% NCD's of Rs.10,00,000/- each

	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
--	-----------------------------------	-----------------------------------

(b) Term Loan from banks

1 Allahabad Bank (Repayable in 8 annual installments of Rs.1111 Lacs each commencing from Sept'13)	11,500	-
2 Bank of Baroda (Repayable in 8 annual installments of Rs.3333 Lacs each commencing from March'14)	8,889	10,000
3 Bank of Maharashtra II (Repayable in 3 annual installments of Rs.1000 Lacs each)	24,967	17,000
4 Bank of Maharashtra III (Repayable in 4 annual installments of Rs.1666 Lacs each)	3,000	3,999
5 Bank of Maharashtra IV (Repayable in 6 annual installments of Rs.2500 Lacs each commencing from Dec'13)	6,666	8,333
6 Bank of Maharashtra V (Repayable in 8 annual installments of Rs.2500 Lacs each commencing from Dec'14)	11,500	14,000
7 Bank of Maharashtra VI (Repayable in 8 annual installments of Rs.1938 Lacs each commencing from Oct'15)	20,000	20,000
8 Canara Bank - Long Term Loan II (Repayable in 1 annual installment of Rs.1000 Lacs each commencing from Jan'14)	11,100	-
9 Central Bank of India (Repayable in 1 annual installment of Rs.3573 Lacs each)	-	1,000
10 Indian Bank (Repayable in 1 annual installment of Rs.2500 Lacs each commencing from May'14)	-	3,570
11 National Housing Bank-(Fixed) (ROI 9.60% p.a. Repayable in 1 quarterly installment of Rs 1057 lacs each)	2,500	2,500
12 National Housing Bank-(Fixed) (ROI 7.50%p.a. Repayable in 17 quarterly installments of Rs 115 lacs each)	390	4,540
13 National Housing Bank-(Fixed) (ROI 7.00% p.a. Repayable in 17 quarterly installments of Rs 70 lacs each)	1,951	2,411
14 National Housing Bank-(Fixed) (ROI 10.25% p.a. Repayable in 18 quarterly installments of Rs 93 lacs each)	1,196	1,478
15 National Housing Bank-(Fixed) (ROI 10.25% p.a. Repayable in 18 quarterly installments of Rs 93 lacs each)	1,666	2,037
16 National Housing Bank-(Fixed) (ROI 10.25% p.a. Repayable in 18 quarterly installments of Rs 95 lacs each)	1,666	2,037
17 National Housing Bank-(Fixed) (ROI 10.30% p.a. Repayable in 18 quarterly installments of Rs 520 lacs each)	1,645	2,025
18 National Housing Bank-(Fixed) (ROI 9.60% p.a. Repayable in 0 quarterly installments of Rs 530 lacs each)	9,320	11,400
19 National Housing Bank-(Fixed) (ROI 7.50% p.a. Repayable in 8 quarterly installments of Rs 186 lacs each)	-	2,050
20 National Housing Bank-(Fixed) (ROI 6.50% p.a. Repayable in 18 quarterly installments of Rs 186 lacs each)	1,466	2,210
21 National Housing Bank-(Fixed) (ROI 6.50% p.a. Repayable in 12 quarterly installments of Rs 128 lacs each)	2,396	3,140
22 National Housing Bank-(Fixed) (ROI 6.50% p.a. Repayable in 13 quarterly installments of Rs 93 lacs each)	1,792	2,304
23 National Housing Bank-(Fixed) (ROI 7.00% p.a. Repayable in 15 quarterly installments of Rs 186 lacs each)	1,198	1,570
	2,768	3,512



NOTE 2.3

LONG-TERM BORROWINGS :

	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
SECURED LOANS		
24 National Housing Bank-(Fixed) (ROI 6.00% p.a. Repayable in 15 quarterly installments of Rs 3 lacs each)	43	55
25 National Housing Bank-(Fixed) (ROI 7.50% p.a. Repayable in 16 quarterly installments of Rs 186 lacs each)	2,954	3,698
26 National Housing Bank-(Fixed) (ROI 9.75% p.a. Repayable in 22 quarterly installments of Rs 555 lacs each)	12,222	-
27 National Housing Bank-(Fixed) (ROI 9.40% p.a. Repayable in 27 quarterly installments of Rs 370 lacs each)	8,889	-
28 National Housing Bank-(Fixed) (ROI 9.40% p.a. Repayable in 27 quarterly installments of Rs 185 lacs each)	4,444	-
29 National Housing Bank-(Fixed) (ROI 9.40% p.a. Repayable in 27 quarterly installments of Rs 463 lacs each)	11,111	-
30 Oriental Bank of Commerce - III (Repayable in 4 annual installments of Rs.2222 Lacs each)	8,888	11,110
31 Oriental Bank of Commerce - IV (Repayable in 2 annual installments of Rs.2222 Lacs each)	4,531	6,753
32 Punjab & Sind Bank (Repayable in 6 annual installments of Rs.2222 Lacs each)	13,332	15,554
33 Punjab & Sind Bank II (Repayable in 6 annual installments of Rs.2500 Lacs each commencing from Oct'12)	15,000	17,500
34 State Bank of Mysore (Repayable in 4 annual installment of Rs.2500 Lacs each)	10,000	12,500
35 Syndicate Bank - II (Repayable in 1 annual installments of Rs.1000 Lacs each)	1,000	2,000
36 Syndicate Bank - III (Repayable in 1 annual installment of Rs.1000 Lacs each)	630	1,630
37 Union Bank of India - III (Repayable in 6 annual installments of Rs.2222 Lacs each)	13,333	15,555
38 Union Bank of India - IV (Repayable in 7 annual installments of Rs.3750 Lacs each commencing from June'13)	26,250	30,000
39 Union Bank of India - V (Repayable in 8 annual installments of Rs.3750 Lacs each commencing from March'16)	3,000	-
40 United Bank of India I (Repayable in 3 annual installments of Rs.3750 Lacs each)	11,249	15,000
41 United Bank of India II (Repayable in 4 annual installments of Rs.1750 Lacs each)	7,000	8,750
42 United Bank of India III (Repayable in 6 annual installments of Rs.2500 Lacs each commencing from Sept' 12)	15,000	17,500
43 United Bank of India IV (Repayable in 6 annual installments of Rs.625 Lacs each commencing from March' 13)	3,750	4,375
TOTAL	<u>3,00,202</u>	<u>2,83,096</u>

Note :

- 1) Loans are secured by way of first charge on book-debts equivalent to outstanding loan balance.
- 2) The Non Convertible Debentures are redeemable at par. The Non Convertible Debentures are secured by way of first charge on the Company's immovable property and receivables. The Non Convertible Debentures are redeemable on 12th of July' 2015.
- 3) Unless otherwise stated, loans are linked to base rate of the respective bank.

**NOTE 2.4**

LONG-TERM PROVISIONS :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Provision For Employee Benefits:		
Leave Encashment (Unfunded)	133	106
Other Provisions:		
Provision for Housing Loans (Refer Note no 14 of Notes to Accounts)	15,273	12,538
Provision for Investments (Refer Note no 14 of Notes to Accounts)	992	1,034
TOTAL	<u>16,398</u>	<u>13,678</u>

NOTE 2.5

SHORT-TERM BORROWINGS :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
UNSECURED LOANS :		
Short Term Loans From Banks	-	10,000
Commercial Papers (CPs) Gross	40,000	24,500
Less : Discounted Value Not Written Off	<u>563</u>	<u>911</u>
	39,437	23,589
TOTAL	<u>39,437</u>	<u>33,589</u>

NOTE 2.6

TRADE PAYABLES :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Trade Payables (For Expenses)		
a) Micro, Small & Medium Enterprises	-	-
b) Others	<u>367</u>	<u>157</u>
TOTAL	<u>367</u>	<u>157</u>

Note:

There is no outstanding amount payable/overdue to Micro, Small and Medium Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent, such parties have been identified on the basis of information available with the Company.

**NOTE 2.7**

OTHER CURRENT LIABILITIES :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Other Liabilities: (Borrowings)		
Current maturities of Long Term Borrowings		
- From Banks	42,445	32,181
- From National Housing Bank	15,196	10,622
Sub Total	57,641	42,803
Other Liabilities: (Others)		
(a) Interest Accrued But Not Due	783	-
(b) Investor Education & Protection Fund will be credited by following amounts (as and when due)		
- Unpaid Dividend	81	71
(c) Application money received for allotment of securities and due for refund and interest accrued thereon	-	-
(d) Others		
- Trade Liabilities	1,308	1,246
- Staff Dues	2	2
- Statutory Dues	23	12
- Interest Subsidy Payable	601	1,073
(Refer Note below)		
Sub Total	2,798	2,404
TOTAL	60,439	45,207

Note

The Interest Subsidy is payable to eligible borrowers on receipt from Government of India under 1% Interest Subvention scheme.

NOTE 2.8

SHORT TERM PROVISIONS:	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Provision For Employee Benefits:		
- Leave Encashment (unfunded)	5	20
- Gratuity (funded)	62	51
Other Provisions:		
- Proposed Dividend	2,692	2,423
- Dividend Distribution Tax	458	393
TOTAL	3,217	2,887

**NOTE 2.9****FIXED ASSETS :****I. TANGIBLE ASSETS :**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2012 Rs.in Lacs	Additions Rs.in Lacs	Deductions / Adjustments Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 01.04.2012 Rs.in Lacs	For the Year Rs.in Lacs	Deductions / Adjustments Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Buildings	263	-	-	263	156	5	-	161	102	107
Furniture and Fittings	194	3	-	197	168	7	-	175	22	26
Office Equipment	136	7	-	143	61	11	-	72	71	75
Air Conditioners	42	3	-	45	23	3	-	26	19	19
Computers	312	138	-	450	138	107	-	245	205	175
Vehicles	57	36	22	71	28	9	14	23	48	29
Current Year	1,004	187	22	1,169	574	142	14	702	467	431
Previous Year	830	188	14	1,004	512	72	11	573	431	318

II. INTANGIBLE ASSETS :

PARTICULARS	GROSS BLOCK				AMORTISATION				NET BLOCK	
	As at 01.04.2012 Rs.in Lacs	Additions Rs.in Lacs	Deductions / Adjustments Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 01.04.2012 Rs.in Lacs	For the Year Rs.in Lacs	Deductions / Adjustments Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Application Software	54	238	-	292	51	67	-	118	174	3
Current Year	54	238	-	292	51	67	-	118	174	3
Previous Year	54	-	-	54	40	11	-	51	3	14
Current Year Total (I + II)	1,058	425	22	1,461	625	209	14	820	641	434
Previous Year Total (I + II)	884	188	14	1,058	552	83	11	624	434	332

**NOTE 2.10**

NON-CURRENT INVESTMENTS :	Face Value Rs.	No.	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
(1) NON-TRADE INVESTMENTS (UNQUOTED) (Valued at cost unless stated otherwise)				
<u>Equity Shares</u>				
GIC Asset Management Co.Ltd.	2	20,99,996	41.50	83.50
The New India Co-op. Bank Ltd.	10	5,000	0.50	0.50
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
<u>Redeemable Preference Shares</u>				
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			993	1,035

Note

In terms of the order of Honorable High Court, Bombay, the face value of equity shares of GIC Asset Management Company Ltd. has been reduced to Rs.2/- from Rs.4/-. Consequently the Company has received a sum of Rs.42 Lacs towards the reduction in face value of its investments.

NOTE 2.11

LONG TERM LOANS AND ADVANCES :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
a) Security Deposits (Unsecured and considered good)	160	139
b) Loans and Advances to Related Parties (Secured, considered good)	-	23
c) Advances Recoverable in cash or kind Loans to staff (Secured, considered good)	311	287
d) Advance tax and tax deducted at source (Net of Provision for Tax)	939	877
e) Prepaid Expenses	-	1
TOTAL	1,410	1,327
Loans and Advances to Related Parties comprised		
Housing Loan to Managing Director	-	23

**NOTE 2.12**

HOUSING LOANS :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
HOUSING LOANS :		
(Secured, Considered good, unless otherwise stated)		
A NON CURRENT :		
- Individuals	4,31,116	3,67,289
- Non Individuals	1,312	600
TOTAL (A)	4,32,428	3,67,889
B CURRENT (Repayable within one year) :		
- Individuals	21,294	19,153
- Non Individuals	193	115
TOTAL (B)	21,487	19,268
TOTAL (A)+(B)	4,53,915	3,87,157

NOTE 2.13

TRADE RECEIVABLES :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Accrued Interest on Housing Loans (Secured, considered good)	925	589
TOTAL	925	589

NOTE 2.14

CASH AND BANK BALANCES :	Rs.in Lacs	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Cash and cash equivalents :			
a) Balances with Banks			
- On Current Account	4,977		3,751
- On Unpaid Dividend	81		71
- On Deposits original Maturity less than 3 months	-		7,000
		5,058	10,822
b) Cash on Hand		51	44
c) Remittances in transit		109	12
Other Bank Balances :			
- Deposits with original Maturity for more than 3 months but less than 12 months		6,137	21,125
TOTAL		11,355	32,003

**NOTE 2.15**

SHORT-TERM LOANS AND ADVANCES :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
(a) Loans and Advances to Related Parties		
Housing Loan to Managing Director (Secured)	-	1
(b) Others		
(i) Staff Loans Repayable within Year (Secured)	17	18
(ii) Advances recoverable in cash or in kind or for value to be received	37	112
(iii) Advances to Employees	3	4
(iv) Prepaid Expenses	67	63
TOTAL	124	198
Loans and Advances to Related Parties comprised		
Housing Loan to Managing Director	-	1

NOTE 2.16

OTHER CURRENT ASSETS :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
a) Accrued Interest on Bank Term Deposits	8	54
b) Interest subsidy receivable (Refer Note below)	601	1,073
TOTAL	609	1,127

Note

The Interest Subsidy Receivable from Government of India under 1% Interest Subvention scheme.

NOTE 2.17

INTEREST INCOME :	Year ended 31.03.2013 Rs.in Lacs	Year ended 31.03.2012 Rs.in Lacs
a) Interest on Housing Loans	51,572	40,880
b) Other Interest	2,174	1,462
TOTAL	53,746	42,342

NOTE 2.18

OTHER FINANCIAL SERVICES :	Year ended 31.03.2013 Rs.in Lacs	Year ended 31.03.2012 Rs.in Lacs
a) Fees and Other Charges	1,474	1,219
b) Other Operating Income	-	57
TOTAL	1,474	1,276

**NOTE 2.19**

OTHER INCOME :	Year ended 31.03.2013 Rs.in Lacs	Year ended 31.03.2012 Rs.in Lacs
a) Dividend	-	-
b) Net Gain on sale of Investment		
- Current Investments	167	324
c) Other Non Operating Income		
- Miscellaneous Income	3	-
TOTAL	170	324

Note :

During the year Company has received Dividend amounting to Rs.0.14 Lacs (Previous Year Rs.0.16 Lacs)

NOTE 2.20

FINANCE COST :	Year ended 31.03.2013 Rs.in Lacs	Year ended 31.03.2012 Rs.in Lacs
Interest Expenses :		
On Term loans (Secured)	32,355	26,660
On NCDs (Secured)	783	-
On Term loans (Unsecured)	332	2,093
On Commercial Papers (Unsecured)	3,853	2,372
TOTAL	37,323	31,125

NOTE 2.21

EMPLOYEE BENEFITS EXPENSES :	As at 31.03.2013 Rs.in Lacs	As at 31.03.2012 Rs.in Lacs
Salaries	978	846
Company's Contribution to Provident and other Funds	135	106
Staff Welfare Expenses	170	116
TOTAL	1,283	1,068

**NOTE 2.22**

OTHER EXPENSES:	Rs.in Lacs	Year ended 31.03.2013 Rs.in Lacs	Year ended 31.03.2012 Rs.in Lacs
Rent		350	329
Rates and Taxes		3	3
Repairs and Maintenance :			
Building	8		25
Others	<u>266</u>		<u>139</u>
		274	164
General Office Expenses		101	79
Insurance		119	82
Travelling and Conveyance		112	92
Printing and Stationery		72	67
Advertisement		98	97
Legal and Professional Fees		1,136	667
Directors Sitting Fees		6	6
Miscellaneous Expenses		295	258
Auditor's Remuneration :			
Audit Fees	7		6
Tax Audit Fees	1		1
Fees for other services	<u>4</u>		<u>2</u>
		12	9
TOTAL		<u>2,578</u>	<u>1,853</u>



2.23 NOTES FORMING PART OF THE ACCOUNTS:

1. Housing loans are secured by :-
 - a) Equitable mortgage of property and / or;
 - b) Assignment of Life Insurance Policies and/or guarantee of solvent guarantors and/or any other acceptable collateral securities wherever applicable, and,
 - c) Corporate Guarantees, wherever applicable.
2. Contingent Liabilities:-
 - a) The Company has pending Income Tax disputes of Rs.322 Lacs (Previous Year – Rs.270 Lacs). It has preferred appeal/s against the same and also has made payments under protest.
 - b) Bank Guarantee of Rs.75 Lacs given in favour of Kotak Mahindra Old Mutual Life Insurance Ltd. in lieu of premium deposit for "Kotak Term Group Plan" Policy contract to avail Term Group Plan cover for borrowers. (Previous Year – Rs.75 Lacs)
 - c) In accordance with "Share transfer agreement" with 'Nomura Asset Management Strategic Investments Pte. Ltd.' for sale of shares of LIC Mutual Fund Asset Management Company Ltd and LIC Mutual Fund Trustee Company Pvt. Ltd, the maximum contingent liability is Rs.1344 Lacs (Previous Year Rs.1344 Lacs).
3. Debts due from:

Directors	: Rs.NIL on account of Housing Loan. (Maximum balance due during the year Rs.24 Lacs)
Company Secretary	: Rs.5 Lacs on account of Housing Loan. (Maximum balance due during the year Rs.6 Lacs)
4. During the year the Company has incurred expenditure on foreign travel amounting to Rs.2 Lacs (Previous Year. – Rs.3 Lacs).
5. Housing Loans include loans against which the company has commenced action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 including possession of properties and part recovery of auction proceeds aggregating to Rs.2236 Lacs. (Previous Year Rs.3175 Lacs)

6. EMPLOYEE BENEFITS (AS-15) :

Short Term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits are recognized as expense in statement of Profit and Loss in the year in which the expense is incurred.

Long Term employee benefits:

Defined Contribution Plan:

Defined Contribution plans are Employees' Pension Scheme, 1995 for all employees and Employee State Insurance Scheme and EDLI for eligible employees. An amount of Rs.15 Lacs has been charged to Statement of Profit and Loss of these defined Contribution Plan.

Defined Benefit Plans:

Provident Fund

The Company has formed a Provident Fund Trust for its employees. Contributions are made to the Trust, which is administered by the Trustees. Trust makes investments and also settles claims of members. Interest payable to the members shall not be at a rate lower than the statutory rate.

Contribution to Provident Fund is charged to accounts on accrual basis.

For this Scheme, contributions are made by the company, based on current salaries, to recognized Fund maintained by the company. In case of Provident fund scheme, contributions are also made by the employees.

An amount of Rs.75 Lacs (Previous Year Rs.58 Lacs) has been charged to Statement of Profit and Loss account, on account of this defined benefit scheme.

Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in current and prior periods. For this purpose the Company has obtained qualifying group gratuity insurance policy from Life Insurance Corporation of India.



Leave Encashment

The Company provides benefits to its employees under the Leave Encashment pay plan which is a non-contributory defined benefit plan. The employees of the Company are entitled to receive certain benefits in lieu of the annual leave not availed of during service, at the time of leaving the services of the Company. The benefits payable takes into account the Salary and the leave balance to the credit of the employees on the date of exit. An amount of Rs.12 Lacs (Previous Year Rs.12 Lacs) has been charged to Statement of Profit and Loss for this benefit scheme.

7. Disclosure in respect of Gratuity liability :

(Rs.in Lacs)

Particulars	Gratuity (Funded)	
	31/03/2013	31/03/2012
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	165	146
2 Interest Cost	15	12
3 Current Service Cost	17	16
4 Past Service Cost	-	-
5 Benefits Paid	(1)	(21)
6 Actuarial (gain)/loss on Obligation	21	12
7 Present Value of obligation at the end of the year	217	165
Reconciliation of Net Asset/(Liability) recognised in the Balance sheet during the year ended March 31, 2013		
1 Opening Net Liability at beginning of the year	165	146
2 Employer Expense	40	29
3 Employer Contributions	29	31
4 Closing Net Liability at the end of the year	217	165
5 Actual Return on Plan Assets	13	10
Changes in the Fair Value of Assets		
1 Fair value of plan Assets at beginning of the year	114	93
2 Expected Return on Plan assets	10	7
3 Contributions	29	31
4 Benefits Paid	(1)	(21)
5 Actuarial gain/(loss) on Plan Assets	3	3
6 Fair value of plan Assets at the end of the year	155	114
Profit & Loss – Expenses		
1 Current Service Cost	17	16
2 Interest Cost	15	12
3 Expected Return on Plan assets	(10)	(7)
4 Net Actuarial (gain)/loss recognised in the year	18	9
5 Past Service Cost	-	-
6 Expenses Recognised in the Statement of Profit & Loss	40	29
Actuarial Assumptions		
1 Discount Rate	8.25%	8.75%
2 Expected Rate of Return on Plan Assets	8.70%	8.60%
3 Expected Rate of Salary Increase	5%	5%
4 Attrition Rate	2%	2%
5 Mortality Post-retirement	1994-96 LIC Mortality Tables (Std.)	



8. Segment Reporting (AS-17)

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 on Segment Reporting (AS-17) issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Amendment Rules, 2011.

9. Related Party Transactions (AS -18)

Names of related parties and description of relationship:

Key Management Personnel : Managing Director - Shri. M Sivaraman,(on deputation from United India Insurance Company Ltd.)(For the period 01.04.2012 to 31.10.2012)

(Rs.in Lacs)

Particulars	Amount 2012-13	Amount 2011-12
Finance (Housing Loan)	-	24
Salary	11	13
Arrears	2	-
Contribution to Pension and other funds	1	1
Perquisites	5	5

Managing Director - Shri. Warendra Sinha,(on deputation from GIC Re.)(For the period 01.01.2013 to 31.03.2013)

(Rs.in Lacs)

Particulars	Amount 2012-13	Amount 2011-12
Finance (Housing Loan)	-	-
Salary	4	-
Contribution to Pension and other funds	1	-
Gratuity	-	-
Perquisites	6	-

10. Leases (AS-19)

Company has entered into agreements for taking on lease and license basis certain Office premises. Lease payments recognized in the statement of profit and loss for the year is Rs.316 Lacs (Previous Year Rs.292 Lacs)

Future lease rental obligation under these leases:

- Not later than one year: Rs.223 Lacs
- Later than one year and not later than five years : Rs.707 Lacs
- Later than five years : Rs.192 Lacs

11. Earning Per Share (AS-20)

(Rs.in Lacs)

Particulars	Year Ended 31.03.2013	Year Ended 31.03.2012
Profit attributable to Equity Shareholders	8503	5904
No of Weighted Average Equity Shares outstanding during the year (Basic & Diluted)	539	539
Nominal Value of Equity Shares (in Rs.)	10	10
Basic Earnings per Share (in Rs.) (Basic & Diluted)	15.79	10.96

12. Deferred Tax Assets (AS-22)

In compliance with the Accounting Standard relating to "Accounting for Taxes on Income" (AS-22) issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Amendment Rules, 2011, the Company has taken credit of Rs.909 Lacs in Statement of Profit and Loss during the current financial year.



The tax effects of significant timing differences that resulted in Deferred tax assets and liabilities and description of Financial Statement items that creates these differences are as follows:

Particulars	(Rs.in Lacs)	
	For the Financial year 2012-13	For the Financial year 2011-12
Deferred Tax Assets:		
Provision for Contingencies	930	625
Provision for Leave Encashment	4	4
Provision for Gratuity	3	6
Provision for Rent	12	-
Loss on Sale of Fixed Assets	1	-
Deferred Tax Liability:		
Depreciation and Amortisation	(41)	(7)
Profit on Sale of Fixed Assets	-	-
Net Deferred Tax Asset	909	628

13. Details of movement in provisions (AS-29)

Particulars	(Rs.in Lacs)			
	Opening as on 01.04.2012	Provision made during the year	Provision Reversed / Adjusted during the year	Closing as on 31.03.2013
Non Performing Assets	8,539	403	57	8,885
Standard Assets	1,896	3,042	-	4,938
Housing Loans under Differential Interest Rate	2,103	-	653	1,450
Investments	1,034	-	42	992
Taxation	14,655	3,710	-	18,365

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

14. Disclosure regarding provisions made for substandard, doubtful and loss assets and depreciation in investments as per the Prudential Norms (revised) contained in the National Housing Bank Guidelines. (Figures in brackets are for the previous year).

HOUSING LOANS:

Asset Classification	(Rs.in Lacs)	
	Outstanding Balance	Provisions
Standard Assets (C.Y.)*	3,40,223	4,664
	(2,62,930)	(1,789)
Differential Interest Rate Assets (C.Y.)	72,388	1,450
	(1,00,565)	(2,103)
Sub-standard Assets(C.Y.)	1,589	1,589
	(789)	(789)
Doubtful Assets (C.Y.)	6,655	6,655
	(7,203)	(7,203)
Loss Assets (C.Y.)	575	575
	(537)	(537)
Total (C.Y.)	4,21,430	14,933
	(3,72,024)	(12,421)

* Including Floating Provision

**NON HOUSING LOANS :**

(Rs.in Lacs)

Asset Classification	Outstanding Balance	Provisions
Standard Assets (C.Y.)	32,419	274
	(15,123)	(107)
Sub-standard Assets (C.Y.)	66	66
	(10)	(10)
Doubtful Assets (C.Y.)	NIL	NIL
	(NIL)	(NIL)
Loss Assets (C.Y.)	NIL	NIL
	(NIL)	(NIL)
Total (C.Y.)	32,485	340
	(15,133)	(117)

INVESTMENTS :

(Rs.in Lacs)

Particulars	Outstanding Balance	Provisions
Equity Shares (C.Y.)	43	42
	(85)	(84)
Preference Shares (C.Y.)	950	950
	(950)	(950)
Bonds (C.Y.)	NIL	NIL
	(NIL)	(NIL)
Units of Mutual Funds (C.Y.)	NIL	NIL
	(NIL)	(NIL)
Total (C.Y.)	993	992
	(1,035)	(1,034)

15. 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 Revised Schedule VI to Companies Act, 1956.
16. Disclosure regarding penalty or adverse comments as per Housing Finance Companies (NHB) Directions, 2010. During the current financial year the company has:-
- neither been imposed any penalty by National Housing Bank.
 - nor received any adverse comments in writing from National Housing Bank on regulatory compliances.
 - observations during regular inspection have been replied.
17. Disclosure in the Balance Sheet as per NHB Guidelines on Asset Liability Management (ALM) System for HFCs – Guidelines (NHB/ND/DRS/Pol-No. 35/2010-11) dated October 11, 2010.
- i) **Capital to Risk Assets Ratio (CRAR)**

Items	Current Year	Previous Year
i) CRAR (%)	14.04	14.80
ii) CRAR - Tier I capital (%)	14.04	14.80
iii) CRAR - Tier II Capital (%)	-	-



ii) Exposure to Real Estate Sector

(Rs.in Lacs)

Category		Current Year	Previous Year
a)	Direct exposure		
(i)	Residential Mortgages –		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 Lacs may be shown separately)		
	Individual Housing Loans upto 15 Lacs	3,08,568	2,84,895
	Individual Housing Loans above 15 Lacs	1,28,547	89,452
	Housing Loans to Corporate Bodies	1,048	205
(ii)	Commercial Real Estate –		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;		
	Commercial Loans	479	67
	Housing Loans to Others	-	-
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a.	Residential	-	-
b.	Commercial Real Estate	-	-
b)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

The above figures are shown net off provisions.

iii) Asset Liability Management

Maturity pattern of certain items of assets and liabilities

(Rs.in Crores)

	1day to 30-31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
Liabilities											
Borrowings from banks	-	-	54.17	227.12	295.12	1,144.06	968.85	600.60	173.51	-	3,463.43
Market Borrowings	74.71	98.75	220.91	-	-	115.00	-	-	-	-	509.37
Assets											
Advances	15.29	16.04	17.25	52.97	108.05	458.46	487.34	494.89	753.67	1,982.46	4,386.42
Investments	-	-	-	-	-	-	-	-	-	0.01	0.01

Note : Advances and Investments under the head 'Assets', are shown net off provisions as per the NHB Guidelines on Asset Liability Management (ALM) System for HFCs.

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

For and on behalf of the Board of Directors

Ashok K. Roy
Chairman

M.K. Tandon
Director

N. Mohan
Director

Place : Mumbai
Date : 10th May,2013

Warendra Sinha
Managing Director

S. Sridharan
Company Secretary



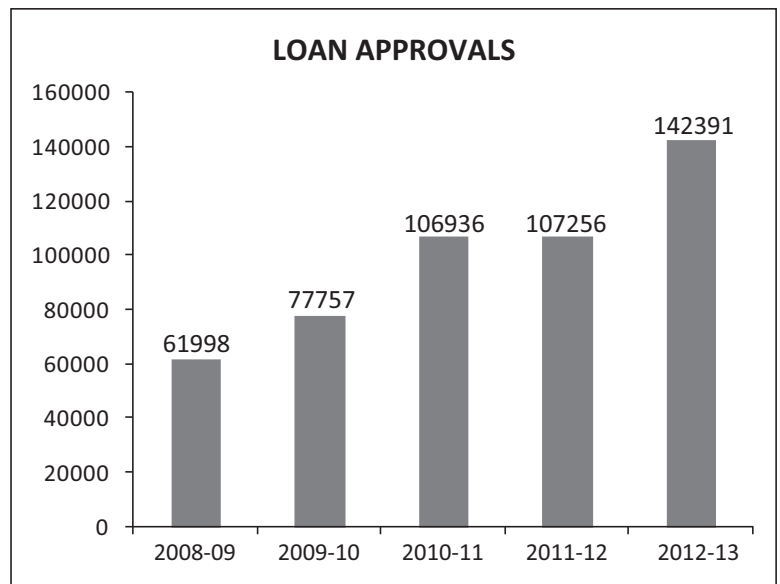
FINANCIAL ANALYSIS AND PERFORMANCE MEASURES

Achievements in 2012-13

Loan approvals during the year

During the year, the Company sanctioned Rs.142391 lacs under “Apna Ghar Yojana” (loan to individuals)

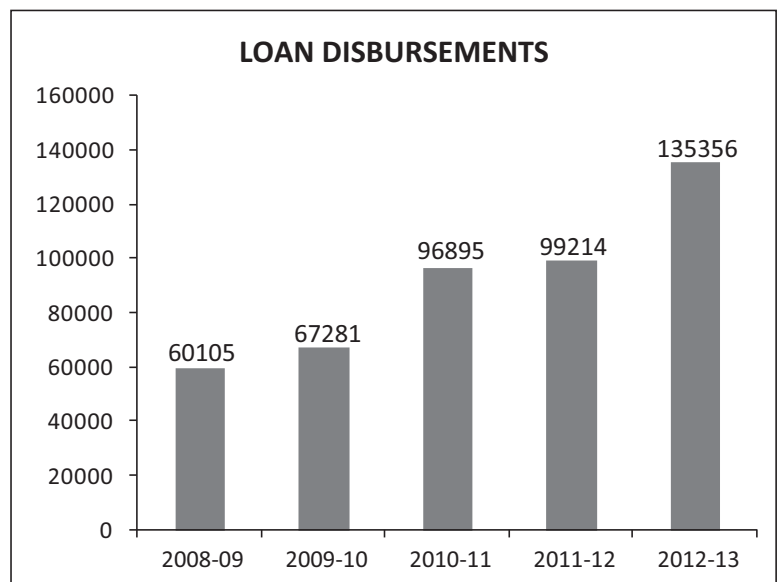
(Figures in Lacs)



Loan disbursements during the year

During the year, the Company disbursed Rs.135356 lacs under “Apna Ghar Yojana” (loan to individuals)

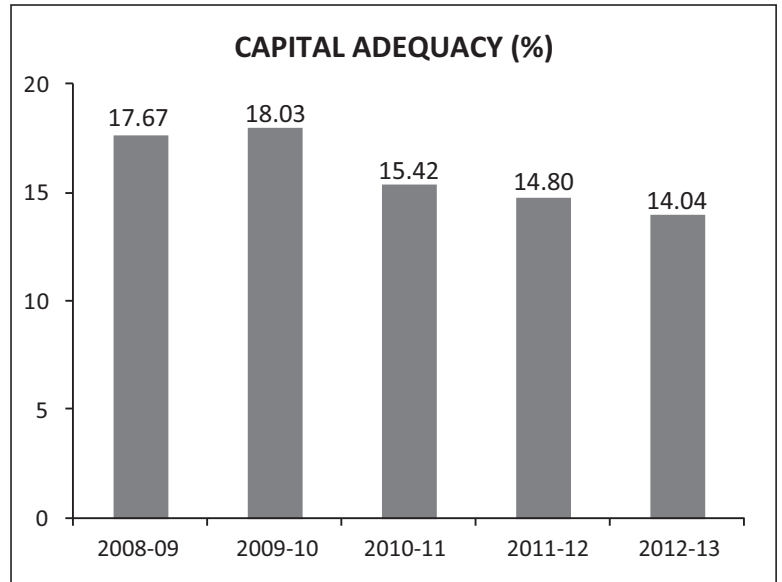
(Figures in Lacs)



FINANCIAL ANALYSIS AND PERFORMANCE MEASURES

Achievements in 2012-13

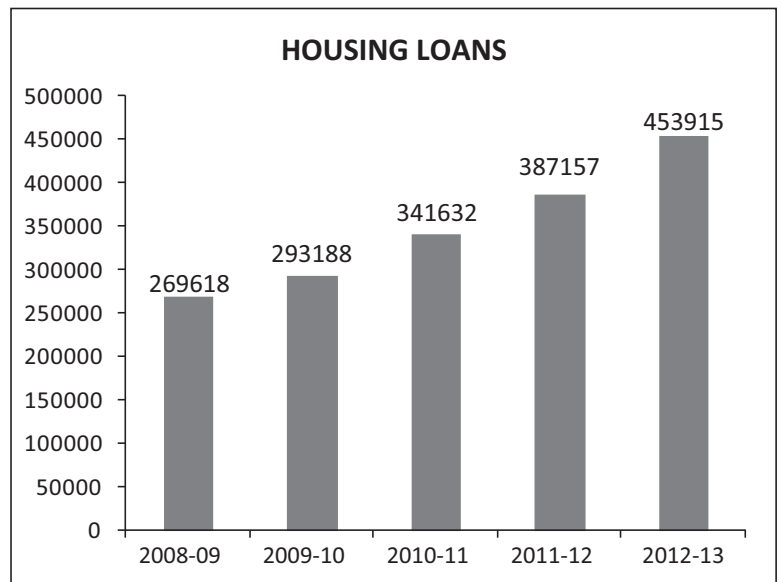
Capital Adequacy



Housing Loans

The Housing Loan Portfolio rose by 17.24% for the year 2012-13

(Figures in Lacs)



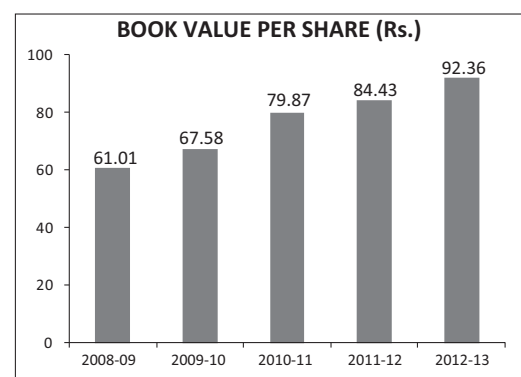
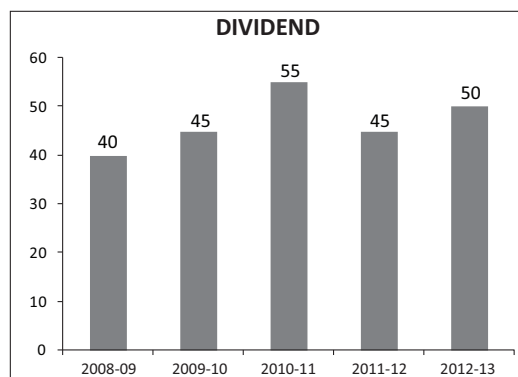
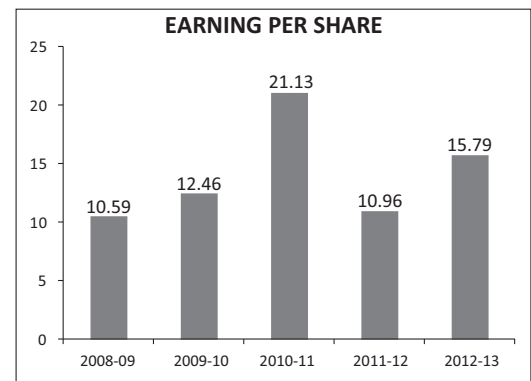
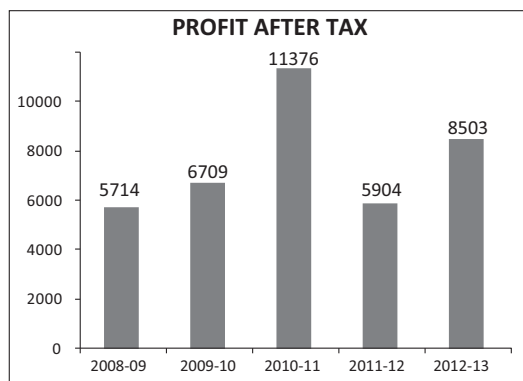
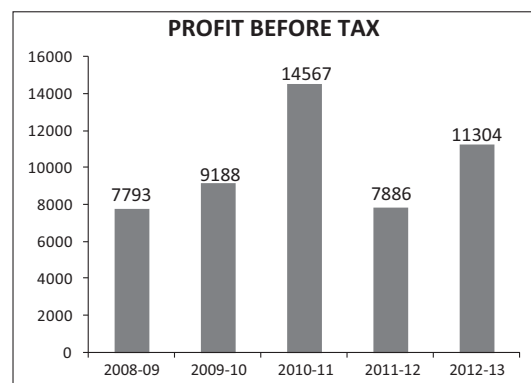
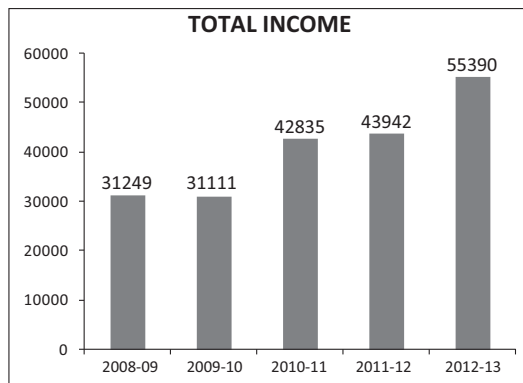


FIVE YEARS AT A GLANCE

Comparative Statement

(Figures in lacs)

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Total Income	55390	43942	42835	31111	31249
Profit Before Tax	11304	7886	14567	9188	7793
Profit After Tax	8503	5904	11376	6709	5714
Earning per Share (Rs.)	15.79	10.96	21.13	12.46	10.59
Dividend (%)	50	45	55	45	40
Book Value per Share (Rs.)	92.36	84.43	79.87	67.58	61.01



BOOK POST



GIC HOUSING FINANCE LTD.

Making Dreams a Concrete Reality

Registered & Corporate Office Address:

3rd floor, Universal Insurance Building, Sir P. M. Road, Fort, Mumbai - 400 001. INDIA
Tel. : +9122 2285 1765 / 1766 / 1767 / 2285 3866 / 3868, Fax : +91 22 22884985 / 2288 0173
Website : www.gichfindia.com Email : corporate@gichf.com