A unique CPSE for financing housing and urban infrastructure projects

Celebrating 50 productive years

in creating assets for the nation and transforming the lives of people

CORPORATE OVERVIEW

January, 2020
HUDCO – At a Glance

- Incorporated on 25th April, 1970 during the 4th Five Year Plan (1969-74)

- A Government of India CPSE with 89.81% equity stake

- HUDCO has more than 49 years of experience in providing loans for housing and urban infrastructure projects in India

- Company has a mandate to address the housing finance needs of the economically weaker sections (EWS) and low-income groups (LIGs)

- Started financing urban infrastructure in later years, with special emphasis on core infrastructure services such as water supply, sewerage, drainage, solid waste management etc.

As on 31st March, 2019

- HUDCO’s Total Loan Outstanding portfolio was Rs.73,326 crore

- 96% of the total loan portfolio were to State Governments and their agencies

- The sectoral distribution of Total Loans Outstanding is:
  - Housing Loans Outstanding - 57%
  - Urban Infrastructure Loans Outstanding - 43%
HUDCO – At a Glance

- Plays a key role in various Government schemes to develop the Indian housing & urban infrastructure sectors

- Presently, a Schedule-A and a Miniratna-I CPSE

- A unique CPSE in the housing and urban infrastructure financing sector in terms of its objectives, activities, catering to weaker sections and improving the quality of life of citizens, in line with government's priorities

- We have sizeable presence in infrastructure portfolios which have volatile returns and repayments but we still have to finance them as we have to cross subsidize EWS/LIG housing finance to serve the social mandate

- Our clientele like ULBs, Housing Boards and Development Authorities, land acquisition by Expressway to which we lend are not catered to by conventional market due to their precarious financial health

Our clientele

- Urban & Rural Housing Boards
- Slum Clearance Boards
- Development Authorities
- Improvement Trusts
- Municipal Corporations/Councils
- Water Supply & Sewerage Boards
- Police Housing Corporations
- Roads & Bridges Development Corpn.
- Expressway Authorities
- Metro Rail Corporations
HUDCO – Vision & Mission

Vision
To be a leading techno–financial institution promoting sustainable Habitat Development for transforming the lives of people

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

Progressing towards becoming a Navratna CPSE

Miniratna-I CPSE (since 27th August, 2004)
## HUDCO – Objectives

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>To provide long term finance for construction of houses for residential purposes or finance or undertake housing and urban development programmes in the country</td>
</tr>
<tr>
<td>2</td>
<td>To finance or undertake the setting up of industrial enterprises of building material</td>
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<tr>
<td>3</td>
<td>To finance or undertake, wholly or partly, the setting up of new or satellite towns</td>
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<tr>
<td>4</td>
<td>To subscribe to the debentures and bonds to be issued by the State Housing (and or Urban Development) Boards, Improvement Trusts, Development Authorities etc, specifically for the purpose of financing housing and urban development programmes</td>
</tr>
<tr>
<td>5</td>
<td>To administer the moneys received, from time to time, from the Government of India and other sources as grants or otherwise for the purposes of financing or undertaking housing and urban development programmes in the country</td>
</tr>
<tr>
<td>6</td>
<td>To promote, establish, assist, collaborate and provide consultancy services for the projects of work designing and planning relating to Housing and Urban Development programmes in India and Abroad</td>
</tr>
<tr>
<td>7</td>
<td>To undertake business of Venture Capital Fund in Housing &amp; Urban Development Sectors facilitating Innovations in these sectors and invest in and/or subscribe to the units/shares etc. of Venture Capital Funds promoted by Government/Government Agencies in the above areas</td>
</tr>
<tr>
<td>8</td>
<td>To set up HUDCO’s own Mutual Fund for the purpose of Housing &amp; Urban Development programmes and/or invest in, and/or subscribe to the units etc. of Mutual Funds, promoted by the Government/ Government Agencies for the above purpose</td>
</tr>
</tbody>
</table>
Business Areas

**HOUSING FINANCE**
- Social housing-EWS&LIG in rural & urban areas of the country
- Housing for MIG &HIG
- Rental housing for employees by govt. and public agencies
- Land acquisition by govt. & public sector agencies for housing agencies
- Individual Housing Loans

**URBAN INFRASTRUCTURE FINANCE**
- Water Supply, Sewerage, Drainage, Solid Waste Management & other city-level utility infrastructure
- Roads & Transport (flyovers, metro rail, airport, bus terminals, parking complex and expressways)
- Social Infra. – schools, hospitals, sports complex etc.
- Commercial Complex, Multiplex
- Emerging sector-IT Parks, expressways, Power, Telecom etc.

**CONSULTANCY SERVICES**
- Architecture
- Urban design, landscape, Urban & Regional Planning
- Interior design

**TRAINING**
- Capacity building of professionals in housing & urban development sector through its training & research arm – Human Settlements & Management Institute
- Supports research in urban sector through research grants
- In house employees capacity building programme, training in HSMI, IIM, NIBM etc.
Milestones

2010-2019
- Disinvestment of 10.193%
- Highest ever disbursement of Rs.31009 cr
- Highest ever PAT of Rs.1180 cr (2018-19)
- Surpassed cumulative disbursement of Rs.1 lakh crore

2000-2010
- HUDCO Niwas launched in 2000
- Authorised Capital increased to Rs.2500 cr in 2001
- Accorded Schedule-A in 2001-02
- Miniratna-I in 2004

1990-2000
- Played a key role in 2MHP
- Bagged PM's award for top 10 PSUs

1980-1990
- HSNI set up in 1985
- Creation of UI window

1970-1980
- Set up in 1970 Under Companies Act with equity capital of Rs.2 cr
- Funding of rural housing
- Started Design & Development activities
Outreach and teams at work

PAN-India Outreach
21 Regional Offices
11 Development Offices

Distribution of Manpower (nos.)

Employee strength
Total man power (as on 31st Dec, 2019) – 793
- Directors-2 & 1 CVO
- Executives- 650
- Non-executives-140
- 30% (238) are women employees

Professionally enriched
Finance, Law, Projects, Planning & Designing, HR, Economics & Sociology, IT
Distribution of 308 employees

Corporate Office, Delhi (incl. HSMI)  Regional Offices (incl. NCR)  Development Offices

- 393 (50%)
- 25 (3%)
- 375 (47%)
Support in implementation of Govt. of India programmes

Key partner in implementing Government of India Action Plan programmes

- Providing financial assistance in the form of viability gap funding for states/UTs and ULB share
- Consultancy, project appraisal/scrutiny
- Monitoring & site inspection
- Organizing awareness programmes
- Organising capacity building programmes for the govt./State/ULB functionaries
- Handholding support to State Governments for preparation of Detailed Project Report (DPRs)

Support during 2018-19

- HUDCO is a Central Nodal Agency (CNA) for channelizing the subsidy under CLSS component of PMAY(U) for providing Housing for All. Supported 3 verticals of PMAY(U) in financing and technical areas.
- HUDCO sanctioned viability gap financing to 2 PMAY(U) projects with project cost of Rs.2147.48 crore to Kerala and Andaman & Nicobar Islands, offering a loan of Rs.1064 crore for construction of 50,555 housing units
- Upto 31st March, 2019, conducted site inspections of 551 Night Shelters under Shelter for Urban Homeless component of Deendayal Antyodaya Yojna-National Urban Livelihood Mission in respect of 20 States/UTs
- Undertook site inspection and DPR scrutiny of 125 projects, for construction of 2.06 lakh housing units in 20 states/UTs, resulting in fee based income of Rs.2.64 crore
- Sanctioned loan of Rs.200 crore for innovative use of water bodies, open space, beautification with smart elements under SMART City Mission by Agartala Smart City
Consultancy Services

Services rendered

1. Low cost housing designs
2. Demonstration housing projects
3. Post disaster rehabilitation efforts
5. Preparation of slum-free city plans
6. DPRs for various towns under JNNURM, RAY & PMAY
7. Landscape planning
8. Preparation of River-front Development Plans
9. Preparation of conservation/rejuvenation plans for heritage cities
10. Undertaking interior designing and its execution
11. DPR for Shopping Complex
12. Environmental Consultancy

Projects undertaken till 2017-18

1. Pilgrim cum Cultural Centre at Solophok, Namchi, Sikkim
2. Design and interiors for HUDCO Regional office buildings
3. Development of tourist facilities for various World Heritage Sites such as Agra, Ajanta Caves, Bodhgaya etc.
4. Development Plan with focus on tourism and conservation at Mahabalipuram
5. Preparation of State Urban Development Strategy for Jharkhand
6. Master Plans for 10 towns – Bodhgaya, Arrah, Chapra etc.
7. City Development Plans for Bodhgaya, Panaji
## Consultancy projects

### 2018-19

1. HUDCO has completed the consultancy services for construction of Office building for Archaeological Survey of India (ASI) – ‘Dharohar Bhawan’ at Tilak Marg, New Delhi and the building was inaugurated by the Hon’ble Prime Minister of India on July 12, 2018

2. Preparation of DPR for construction of Shopping Complex at Manipur

3. Preparation of GIS-based Integrated Master Plan for Rajgir Regional Planning Area and Nalanda Mahavira World Heritage Site

4. Preparation of Development Plans for Khargone & Jhabua in MP

5. Vertical Housing colony at Srinagar

6. DPR for housing project under Atal Ashray Yojana at Girgaon, Gwalior

### 2019-2020

1. Renovation & Interior Designing of Office for CDRI (Coalition for Disaster Resilient Infrastructure)

2. Environmental Consultancy – Third Party Evaluation of Central Sector Schemes of MoEF &CC

3. In-house projects – Office Buildings of Kolkata and Dehradun Regional Offices

4. Third-Party Inspection and Monitoring of Delhi Police projects
Capacity Building Initiatives

- Human Settlement Management Institute established in 1985, in collaboration with IHS, Rotterdam as the Research & Training Wing of HUDCO for imparting training to the various professionals and Managers of Housing and Urban Development Agencies.

- Undertakes training programmes in urban development management related aspects for Indian as well as International participants under ITEC programme Ministry of External Affairs, of Govt. of India.

- Number of Programmes conducted: About 1700 (incl. 40 international programs).

- Professionals Trained: Over 50,000 (including 857 international participants).

- Action & Policy Research, Evaluation Studies, Documentation and Dissemination; MoHUA funded research.

- HUDCO Award for Best Practices.

- Bring out special publications: Shelter, Best Practices, Research Reports.

- In-house employee training at IIM, NIBM etc.
HUDCO CSR Initiatives

(as on 31st March 2019)
- 194 projects sanctioned in 26 states of the country
- Total Sanctions – Rs.120.46 crore
- Total disbursements – Rs.71.57 crore
- Contribution towards Swachh Bharat Kosh Rs.8 crore (2017-18)

- Exclusive budget created, in line with DPE Guidelines, earmarking a part of its net profits for activities under CSR since FY 2010-11

- Objectives of HUDCO’s CSR Policy-
  - to ensure upliftment of the marginalised & under-privileged sections of the society and to promote inclusive socio-economic growth, environment protection, green & energy efficient technologies, and development of backward regions

- Focus areas of HUDCO CSR:
  - Housing- including night shelters & disaster rehabilitation
  - Education and health
  - Sanitation- including toilets, waste management
  - Skill Development
  - Energy Efficiency
The government of India has divested 10.19% of the total paid up equity share capital of the Company through Initial Public Offer (IPO) in the year 2017.

IPO was oversubscribed by 80 times with excellent premium for Government of India.

We are now a Listed Company – 69.08% of Paid-up Capital of Rs.2001.90 crore held by M/o Housing & Urban Affairs and 20.73% held by M/o Rural Development and having been, the remaining 10.19% shares held by other investors.

As per SEBI guidelines, the remaining 15% disinvestment needs to be done within the stipulated period of 3 years before May, 2020.
MoU rating of HUDCO is “Excellent since last 7 years, and likely to get excellent for the Financial Year 2018-19 also.

Domestic Rating: Achieved AAA rating status, rated by three rating agencies (ICRA, CARE & IRRPL), and the same is being maintained with due precautions of careful lending.

International Rating – Moody’s and FITCH have assigned HUDCO a long-term foreign currency issuer rating of “Baa2” & “BBB” equivalent as that of Republic of India.

“6th Annual Greentech CSR Award 2018-Gold category” in service sector for outstanding achievement in CSR activities.


“Digital Leader Award for Excellence” under the ‘Enterprise Applications’ and ‘Unified Communications’ categories, for successful PAN-India Implementation of these initiatives.
Operational Highlights
(Cumulative: since inception in 1970 upto March 2019)

- No. of projects sanctioned – 17197
- Operations extend over 1900 towns & thousands of villages
- No. of Housing projects sanctioned - 14892
- No. of UI projects sanctioned - 2305

Note: * Rs.20,000 cr EBR under PMAY(U)
Social orientation – Housing units sanctioned
(cumulative as on 31st March, 2019)

Total housing units sanctioned - 190 lakh units

EWS & LIG – 180.35 lakh units

MIG – 5.85 lakh units

HIG – 3.86 lakh units
Disbursement in last five years

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>7974</td>
</tr>
<tr>
<td>2015-16</td>
<td>8250</td>
</tr>
<tr>
<td>2016-17</td>
<td>9095</td>
</tr>
<tr>
<td>2017-18</td>
<td>16565</td>
</tr>
<tr>
<td>2018-19</td>
<td>31009* incl. EBR</td>
</tr>
</tbody>
</table>

* incl. EBR

<table>
<thead>
<tr>
<th>Year</th>
<th>Housing Disbursement</th>
<th>UI Disbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>3076</td>
<td>17</td>
</tr>
<tr>
<td>2015-16</td>
<td>3186</td>
<td>0</td>
</tr>
<tr>
<td>2016-17</td>
<td>2709</td>
<td>11748</td>
</tr>
<tr>
<td>2017-18</td>
<td>4817</td>
<td>6386</td>
</tr>
<tr>
<td>2018-19</td>
<td>27415</td>
<td>11748</td>
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</table>

(Rs. Crore)
Started with an initial equity base of Rs. 2 crore in 1970

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Rs. in Crore</th>
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<tbody>
<tr>
<td>1.</td>
<td>CAPITAL BASE (AUTHORISED)</td>
<td>2500</td>
</tr>
<tr>
<td>2.</td>
<td>Equity (Paid-up)</td>
<td>2001.90</td>
</tr>
<tr>
<td></td>
<td>Ministry of Housing &amp; Urban Affairs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ministry of Rural Development</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total GOI share</td>
<td></td>
</tr>
<tr>
<td></td>
<td>69.08%</td>
<td>20.73%</td>
</tr>
<tr>
<td></td>
<td>20.73%</td>
<td>89.81%</td>
</tr>
<tr>
<td>3.</td>
<td>Reserves &amp; Surplus</td>
<td>8953.87</td>
</tr>
<tr>
<td>4.</td>
<td>Net Worth</td>
<td>10955.77</td>
</tr>
<tr>
<td>5.</td>
<td>Borrowings</td>
<td>59901.42</td>
</tr>
<tr>
<td></td>
<td><strong>Resource Base = Net Worth + Borrowings</strong></td>
<td>70857.19</td>
</tr>
</tbody>
</table>
Sources of Borrowings
as on 31st March, 2019

Total borrowings
Rs.59901.42 crore

- Taxable Bonds: 54%
- Tax Free Bonds: 29%
- Refinance from NHB/IIFCL: 7%
- Public Deposits: 0.5%
- Foreign Currency Borrowings: 1%
- Banks: 3%
- FCL/FCTL/FCNR(B)(loan from banks): 1%
- Commercial Papers: 5%
Financial Performance in last five years
(Rs.crore)

**Total loans (Gross)**
- 2014-15: 33135
- 2015-16: 35665
- 2016-17: 39661
- 2017-18: 49800
- 2018-19: 73326

**Revenue from Operations**
- 2014-15: 778
- 2015-16: 784
- 2016-17: 842
- 2017-18: 1180
- 2018-19: 5515

**PBT**
- 2014-15: 1089
- 2015-16: 975
- 2016-17: 1040
- 2017-18: 1408
- 2018-19: 1863

**PAT**
- 2014-15: 778
- 2015-16: 784
- 2016-17: 842
- 2017-18: 1010
- 2018-19: 1180

- **Revenue from Operations Growth:** 35%
- **PBT Growth:** 32%
- **PAT Growth:** 17%
### Gross NPA and Total loans Outstanding

(in Rs crore)

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross NPA</th>
<th>Total loans Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>2070</td>
<td>33135</td>
</tr>
<tr>
<td>2015-16</td>
<td>2382</td>
<td>35665</td>
</tr>
<tr>
<td>2016-17</td>
<td>2386</td>
<td>39661</td>
</tr>
<tr>
<td>2017-18</td>
<td>3610</td>
<td>49800</td>
</tr>
<tr>
<td>2018-19</td>
<td>3287</td>
<td>73326</td>
</tr>
</tbody>
</table>

- **Gross NPA**
  - 2014-15: 2070 (6.25%)
  - 2015-16: 2382 (6.68%)
  - 2016-17: 2386 (6.02%)
  - 2017-18: 3610 (7.25%)
  - 2018-19: 3287 (4.48%)

- **Total loans Outstanding**
  - 2014-15: 33135
  - 2015-16: 35665
  - 2016-17: 39661
  - 2017-18: 49800
  - 2018-19: 73326
### Net NPA and Total Net loans Outstanding (in Rs.crore)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net NPA</th>
<th>Total Net loans Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>502 (1.59%)</td>
<td>31567</td>
</tr>
<tr>
<td>2015-16</td>
<td>701 (2.06%)</td>
<td>33984</td>
</tr>
<tr>
<td>2016-17</td>
<td>434 (1.15%)</td>
<td>37708</td>
</tr>
<tr>
<td>2017-18</td>
<td>920 (1.95%)</td>
<td>47110</td>
</tr>
<tr>
<td>2018-19</td>
<td>354 (0.50%)</td>
<td>70393</td>
</tr>
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Net NPA is Gross NPA - Provisioning

The Net NPA is calculated as Gross NPA minus Provisioning.
MoU performance in the last 5 years

<table>
<thead>
<tr>
<th>FY</th>
<th>Score</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>1.16</td>
<td>Excellent</td>
</tr>
<tr>
<td>2015-16</td>
<td>100</td>
<td>Excellent</td>
</tr>
<tr>
<td>2016-17</td>
<td>100</td>
<td>Excellent</td>
</tr>
<tr>
<td>2017-18</td>
<td>99.48</td>
<td>Excellent</td>
</tr>
<tr>
<td>2018-19</td>
<td>Likely to get Excellent</td>
<td></td>
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</table>
Having served the Nation for the last 50 years, HUDCO kickstarted Golden Jubilee Year celebrations in April 2019

Thank You