

**INTERNATIONAL HOUSING
FINANCE CORPORATION LIMITED**

**ANNUAL REPORT
2012-13**

INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED

BOARD OF DIRECTORS :

Mr. Sandip. B. Padsala	Chairman & Managing Director
Mr. Kamlesh. R. Dhanopia	Director
Mr. Prakash. C. Shah	Director
Mr. Vinod. S. Shah	Director

REGISTERED OFFICE :

“Moorti Bunglow”
5, Ashok Nagar Co. Op. Hou. Soc. Ltd.,
B/h Sunder Nagar,
ISRO, Satellite,
Ahmedabad - 380015.

**REGISTRAR &
SHARE TRANSFER AGENT :**

SYSTEM SUPPORT SERVICES
209, Shivai Ind, Estate,
89, Andheri Kurla Road,
Saki Naka, Andheri (E),
Mumbai - 400072.

BANKER :

HDFC Bank

WEBSITE :

www.ihfcl.com

STATUTORY AUDITOR :

M/S NAIGAM H.SHAH & CO
214 Chandraprabhu Complex,
Nr. Sardar Patel Statue,
Naranpura,
Ahmedabad - 380014.

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED will be held on Monday, 30th September, 2013 at 11:30 a.m., at "Moorti Bungalows", 5 Ashoknagar Co-Operative Housing Society Ltd. B/h. Sundervan, Ahmedabad-380015 for transacting the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, Statement of Profit & Loss for the year ended as on that date and Auditors' and Directors' Report thereon.
2. To appoint Director in place of Mr. Prakash Shah , who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

For and on behalf of the Board of Directors

Date : 14/08/2013
Place : Ahmedabad

Sandip B. Padsala
Chairman & Managing Director

NOTES :

- Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a Member. Proxy to be effective should reach the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
- The Register of Members and Share Transfer books of the Company will remain closed from Friday, the 27th September, 2013 to Monday, the 30th September, 2013 (both days inclusive).
- The Members are requested to notify immediately the change of address, if any to the Company's Share Transfer Agent, M/s. System Support Service, 209, Shivai Ind. Estate, Near Park Devis, 89, Andheri Kurla Road, Sikinaka, Andheri(East), Mumbai-400072 quoting their Folio No. or Client ID No.
- Nomination facility is available to the Shareholders in respect of share held by them.
- Members desiring any information on Accounts are requested to write to the Company at least One week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
- As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies of Annual Report and the attendance slip at the meeting.
- Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio number in the attendance slip for attending the meeting.

DIRECTORS' REPORT

To
The Shareholders,
International Housing Finance Corporation Limited

Your Directors are pleased to present the Annual Report of your Company together with the Audited Statement of Accounts for the year ended on 31st March, 2013.

FINANCIAL RESULTS :

The summary of financial results of the Company are given here under :

(Rs Lakhs)

Particulars	2012-13	2011-12
Turnover (Net) (including other income)	Nil	Nil
Profit/(Loss) before Interest, Depreciation and Tax	(2.46)	(4.55)
Provision for Income Tax (Including Deferred Tax)	Nil	Nil
Profit/(Loss) for the year	(2.46)	(4.55)

DIVIDEND :

In view of loss, your directors do not recommended dividend for the under review.

FIXED DEPOSITS :

The Company has not accepted any public deposits during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS:**Industrial Overview :**

During the last year the Indian real estate sector continued to face a challenging environment. With an overall decline in volumes, pricing was a key issue in some geographies marked by over-supply and lack of sustained economic activity. In current year, the top priority for most realty companies will be to reduce debt, which could opportunities for buyers. The Real Estate Regulatory Bill, which seeks to bring transparency, should encourage buyers. In India townships, housing, built-up infrastructure & industrial park projects have attracted foreign direct investment.

Review and Operations :

During the year under review the Company has incurred loss of Rs 2.46 lacs during the year under review as against loss of Rs 4.55 lacs during the previous year.

Opportunity and threats :

Your Company believes that there is great potential in the Indian real estate sector and that with economic stability, demand for residential as well as commercial segment would further strengthen. Therefore, to cater the burgeoning demand for quality real estate, your Company will focus on timely execution of projects, without compromising on quality and compliances.

The real estate business in India is impacted by, inter-alia, regulatory and monetary policies and investment outlook. The Company's operations and its ability for future development has to be viewed in light of the above and resultant factors such as the availability of real estate financing, uncertainty on monetary and fiscal policy actions, changes in Government regulations, foreign direct investments, approval processes, environment laws, actions of government land authorities and legal proceedings.

Internal Control System :

Your company continues to place considerable emphasis and effort on the internal control systems. There is well – established internal control system with clearly laid down powers and responsibilities, wherever necessary, that can be exercised by various levels of the Management in the Company.

Cautionary Statement :

Statement in the Management Discussions and Analysis Report describing the Company' objectives, projections, estimates, expectations or predictions may be "forward looking statement" within the meaning of applicable security laws and regulation. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company' operations include economic conditions affecting demands and supply and price

conditions in domestic in which the Company operates. Changes in Government regulations, tax regimes economic developments within India and other incidental factors.

CORPORATE GOVERNANCE :

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section titled "Corporate Governance Report" is attached in this Annual Report.

CEO CERTIFICATION :

The Director who looks after finance function has submitted a certificate to the Board regarding the financial statements and other matters as required under clause 49 (V) of the Listing Agreement.

DIRECTOR :

Pursuant to provisions of Section 256 of the Companies Act, 1956 Mr. Prakash Shah retire by rotation and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors state that :

In the presentation of Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departure.

The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the loss of the Company for the period.

The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for preventing and detecting fraud and other irregularities.

The Directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES :

No employee is drawing remuneration more than the specified limit prescribed u/s.217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975. Hence, the information in terms of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not required to be given.

AUDITORS :

M/s. Naigam H Shah & Co., Chartered Accountant, statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received certificate from M/s Naigam H Shah & Co., Chartered Accountant, to the effect that their appointment, if made would within the prescribed limits under section 224(1B) of the Companies Act, 1956 and that they are not disqualified from such appointment within the meaning of section 226 of the Companies Act, 1956. The proposal for their re-appointment as Auditor is included in the notice of Annual General Meeting.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNING AND OUTGO :

The Company is not engaged in activities specified in Companies, (Disclosure of Particulars in Report of Board of Directors) Rules 1988, and as such the company is not required to give information relating to conservation of energy. The Company is not using any particular technology and as such information relating to technology absorption is not required to be given. There is no foreign exchange earnings and outgo during the year under review.

ACKNOWLEDGMENT :

Your Directors also take this opportunity to place on record the co-operation, assistance and continued support extended by the Banks, Government Authorities and Shareholders during the year under review.

For and on behalf of the Board of Directors

Date : 14/08/2013
Place : Ahmedabad

Sandip B. Padsala
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE :

The Company's philosophy on Corporate Governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors and employees. The Company and its Board of Directors firmly believe that strong governance, by maintaining a simple and transparent corporate structure, is integral to creating value on a sustainable basis. Good governance is a continuing exercise and the Company reiterates its commitment to pursue the same in all aspects of its operations in the overall interest of all its stakeholders.

BOARD OF DIRECTORS :

- **Composition of Board of Directors as on 31/03/2013 :**

Name of the Directors	Category	Attendance at Last AGM	No. of other Directorship in Public Ltd. Companies	No. of other Board Committees of which member/ chairman
Mr. Sandip B. Padsala	Non Independent and Executive	Yes	4	4
Mr. Kamlesh R. Dhanopia	Independent and Non- Executive	Yes	---	---
Mr. Prakash C. Shah	Independent and Non- Executive	Yes	---	---
Mr. Vinod S. Shah	Independent and Non- Executive	Yes	---	---

- **Attendance of each director at the Board Meetings on 31/03/2013 :**

Name of Director	Category of Directorship	No. of Board meeting held	No. of Board meeting attended
Mr. Sandip B. Padsala	Non Independent and Executive	5	5
Mr. Kamlesh R. Dhanopia	Independent and Non- Executive	5	5
Mr. Prakash C. Shah	Independent and Non- Executive	5	5
Mr. Vinod S. Shah	Independent and Non- Executive	5	5

- **Number of Board meetings held during the financial year and dates of Board meetings:**

Board Meeting	Date	Board Meeting	Date
1	07/05/2012	4	10/11/2012
2	10/08/2012	5	12/02/2013
3	14/08/2012	--	-----

AUDIT COMMITTEE :

Composition of Audit Committee as on 31/03/2013 :

Name	Designation	Category	Committee meeting attended
Mr. Prakash C. Shah	Chairman	Independent and Non-Executive	5
Mr. Kamlesh R. Dhanopia	Member	Independent and Non-Executive	5
Mr. Vinod S. Shah	Member	Independent and Non-Executive	5

The terms of reference of Audit Committee cover the matters as specified for Audit Committee under the clause 49 of the Listing Agreement which are as under:

- Supervision of the Company's Financial Reporting process and the disclosure of its financial information to ensure that the financial statement reflect a true and fair position.
- Reviewing with the Management, the Financial Result before placing them to the Board with a special emphasis on accounting policies and practices, internal controls, compliances with accounting standards and other Legal requirements concerning financial statements.
- Recommending the appointment and removal of statutory auditor, fixation of their audit fees and approval for the payment for any other services.
- Reviewing the quarterly financial statements and draft auditor report reviewing the adequacy of the audit and compliance function, including their policies, procedures, techniques and other regulatory requirements with the statutory auditors.
- Reviewing the observation of statutory auditors about the finding during the audit of the company.
- Reviewing the performance of Statutory Auditors.
- Reviewing the management discussion and analysis of financial condition and result of operations.
- Reviewing of significant related party transactions, if any.

Five meetings of Audit Committee were held during the financial year 2012-13 on following dates :

No.	Date	No.	Date
1	07/05/2012	4	10/11/2012
2	10/08/2012	5	12/02/2013
3	14/08/2012		

REMUNERATION COMMITTEE :

Composition of the Remuneration Committee as on 31/03/2013:

Name	Designation	Category	Committee meeting attended
Mr. Kamlesh R. Dhanopia	Chairman	Independent and Non-Executive	1
Mr. Prakash Shah	Member	Independent and Non-Executive	1
Mr. Vinod S. Shah	Member	Independent and Non-Executive	1

One Meeting of Remuneration Committee was held on 07/05/2012.

No remuneration was paid to Managing Director & Independent Directors during the year 2012-13.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

Composition of Shareholder's/ Investor's Committee as on 31/03/2013 :

Name	Designation	Non-executive/ independent	Committee
Mr. Prakash C. Shah	Chairman,	Independent and Non-Executive	1
Mr. Kamlesh R. Dhanopia	Member	Independent and Non-Executive	1
Mr. Vinodbhai S. Shah	Member	Independent and Non-Executive	1

One Meeting of Shareholders'/Investors' Grievance Committee was held on 07/05/2012.

The Shareholders' / Investors' grievances committee looks into the redressal of Shareholders' /Investor's grievances if any like Transfer/Transmission/Demat of Shares/Loss of Shares Certificate, non-receipt of annual report/non receipt of dividend etc.

No complaint is outstanding as on 31st March, 2013.

GENERAL BODY MEETINGS :**Details of three Annual General Meeting:**

Year	Date	Time	Venue
2011-12	29/09/2012	11:30 A.M	'Common Plot & Hall" 7, Ashoknagar, B/h. Sundervan, Ahmedabad - 15.
2010-11	29/09/2011	11:30 A.M	'Common Plot & Hall" 7, Ashoknagar, B/h. Sundervan, Ahmedabad - 15.
2009-10	30/09/2010	4:00 P.M	Moorti Bunglows, 5,Ashoknagar, B/h. Sundervan, Ahmedabad - 15.

No resolution was passed through the postal ballot during the year under review.

MEANS OF COMMUNICATION :

The Quarterly, Half yearly and annual results of the company are not published in English and Gujarati newspapers. The same were sent only to the Stock Exchange i.e. Bombay Stock Exchange (BSE). These results are also available on company's website i.e. 'www.ihfcl.com

SUBSIDIARY COMPANY :

The Company does not have any subsidiary company.

DISCLOSURE :

- The register of contracts containing transactions in which directors are interested is placed before the Board of Directors regularly. No transaction of material nature has been entered into by the Company with the directors or the management and their relatives etc. that may have potential conflict with the interest of the Company.
- Details of non-compliance by the Company, penalties, imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years: None

CEO CERTIFICATION :

In the term of clause 49 of Listing Agreement , the certification Mr. Sandip Padsala , Managing Director of the Company who looks after finance function has been obtained.

CODE OF CONDUCT :

In compliance with the Code of Conduct, Directors and senior management of the Company have affirmed their compliance with the code of conduct for the year under review. A declaration to this effect forms part of this annual report.

GENERAL SHAREHOLDERS INFORMATION :

- a) Annual General Meeting :
- Date : 30th September, 2013
- Time : 11:30 A.M
- Place : "Moorti Bunglows" 5, Ashoknagar, B/h. Sundervan, Ahmedabad- 380015.
- b) Financial Year : 1st April, 2012 to 31st March, 2013
- First Quarterly results : On 14/08/2012
- Second Quarterly results : On or before 15/11/2013
- Third Quarterly results : On or before 15/02/2014
- Fourth Quarterly results : On or before 30/05/2014
- c) Date of Book Closure : 27th September, 2013 to 30th September, 2013 (Both days inclusive)
- d) Dividend : Nil
- e) Listing at following Stock Exchanges :
- * Bombay Stock Exchange
 - * Baroda Stock Exchange
 - * Calcutta Stock Exchange
 - * Delhi Stock Exchange
 - * Madras Stock Exchange

- f) Listing Fees :
Paid to Bombay Stock Exchange Ltd up to 2013-14. Payment of other stock exchanges is pending since last few years.
- g) Scrip Code : BSE 530781
- h) ISIN : INE903G01014
- i) **The Monthly market price data of the Company's shares from 01st, April, 2012 to 31st March, 2013 is as follow :**

Month	Bombay Stock Exchange		Baroda Stock Exchange, Calcutta Stock Exchange, Delhi Stock Exchange, Madras Stock Exchange	
	High	Low	High	Low
April, 2012	4.20	3.33	----	----
May, 2012	3.66	2.72	----	----
June, 2012	3.13	2.71	----	----
July, 2012	5.00	3.00	----	----
August,2012	5.51	3.52	----	----
September,2012	3.35	2.76	----	----
October,2012	2.89	2.89	----	----
November,2012	2.76	2.76	----	----
December,2012	2.27	1.77	----	----
January, 2013	2.63	2.27	----	----
February,2013	2.27	1.77	----	----
March,2013	1.77	1.69	----	----

*Source : www.bseindia.com

- j) **Registrar & Share Transfer Agent :**
Address for correspondence at present for transfer / dematerialisation of shares, change in address, change in status of investors and other query or any grievance / complaints relating to the shares of the Company is as below :
- System Support Services**
209, Shivai Ind. Estate, Near Park Devis,
89, Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400072.
- k) **Name of Compliance Officer :** Mr. Sandip B Padsala
- l) **Shareholding pattern as on 31st March, 2013 is as under :**

Sr. No.	Category	No. of shares held	% of shareholding
1.	Promoters		
	i) Individual/ HUF	1357800	7.56
	ii) Bodies Corporate	6912500	38.48
	Total	8270300	46.04
2.	Public		
	i) Bodies Corporate	190900	1.06
	ii) Individuals upto 1 lakh	7885800	43.90
	iii) Individual in excess of 1 lakh	1614300	8.99
	iv) Non Residents Indians	3200	0.02
	Total	9694200	53.96
	GRAND TOTAL	17964500	100.00

m) **Distribution of Shareholding as on 31st March, 2013 is as under :**

No. of Shares	No. of Holders	No. of Shares	Total No. of Holders %	Total No. of Shares
1 to 500	8715	2787400	66.935	15.516
501 to 1000	3080	2578400	23.656	14.353
1001 to 2000	751	1098000	5.768	6.112
2001 to 3000	220	547200	1.690	3.046
3001 to 4000	77	280700	0.591	1.563
4001 to 5000	51	235200	0.392	1.309
5001 to 10000	55	425600	0.422	2.369
10001 to above	71	10012000	0.545	55.732
TOTAL	13020	17964500	100.000	100.000

n) **Share Transfer System :**

The Board of Director has delegated the power of share transfer, splitting/ consolidation of the share certificate and issue of duplicate share, rematerialisation of shares to the Registrar and Share Transfer Agent. The Registrar and Share Transfer Agent register the share received for transfer in physical mode, within 15 days from the date of lodgement, if documents are complete in all respects.

o) **Outstanding GDRs/ADRs/Warrants of Conversion instruments : Nil**p) **Dematerialization of Shares and Liquidity :**

The Securities and Exchange Board of India (SEBI), through a notification have made it compulsory that delivery in the Company's shares against Stock Exchange trade became compulsory in demat form.

The Company Shares are available for dematerialization on National Securities Depository Limited (NSDL).

q) **Company's Address for correspondence :**

Mr. Sandip Padsala
Compliance Officer,
B. Nanji Enterprise Ltd.
"Moorti Bunglow", 5, Ashoknagar Co-Operative Housing Society Ltd.
B/h. Sundervan, Ahmedabad-380015.

r) **Introduction of Periodic Call Auction Session for Illiquid Scrips :**

As per SEBI circular, dated February 14, 2013, circular no. CIR/MRD/DP/ 6/2013 and BSE circulars, no. 20130219-7 dated February 19, 2013 & 20130328-12 dated March 28, 2013, trading of shares of the Company is included in Periodic Call Auction sessions (PCAS) for illiquid scrips with effect from 08/04/2013.

For and on behalf of the Board of Directors

Date : 14/08/2013
Place : Ahmedabad

Sandip B. Padsala
Chairman & Managing Director

CERTIFICATE

To the Members of
International Housing Finance Corporation Limited

We have examined the compliance of the conditions of Corporate Governance by International Housing Finance Corporation Limited (the Company) for the year ended on 31st March, 2013 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the procedure and implementation there of, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanation given to us the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. The details of transactions entered into by the Company with group companies/concerns and/or associates companies/concerns are stated by the Auditors in their Report and also stated in Notes to the Accounts. i.e. Note No 12 of Balance sheet & Statement of profit & Loss.

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 RAJESH PAREKH & CO.
Company Secretary

Date : 14/08/2013
Place : Ahmedabad

RAJESH PAREKH
Proprietor

CERTIFICATE BY CHIEF EXECUTIVE OFFICER OF THE COMPANY

To,
The Board of Directors,
International Housing Finance Corporation Limited
Ahmedabad.

CERETIFICATE

Mr. Sandip B. Padsala Managing Director of the Company hereby certify that :

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) there are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company and he has disclosed this to the auditors and the Audit Committee.
- (d) I have indicated to the auditors and the Audit committee :
- (i) significant changes in internal control during the year.
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

For and on behalf of the Board of Directors

Date : 14/08/2013
Place : Ahmedabad

Sandip B. Padsala
Chairman & Managing Director

To
The Shareholders,
International Housing Finance Corporation Limited
Ahmedabad.

Sub.: Declaration for Compliance of Code of Conduct

I hereby declare that all the Board Members and senior Managerial Personnel have for the year ended 31st March, 2013, affirmed compliance with the Code of Conduct laid down by the Board of directors in terms of the Clause 49 of the Listing Agreement entered with the Stock Exchanges.

For and on behalf of the Board of Directors

Date : 14/08/2013
Place : Ahmedabad

Sandip B. Padsala
Chairman & Managing Director

INDEPENDENT AUDITORS' REPORT

To The Members,
International Housing Finance Corporation Ltd.,
Ahmedabad

Report on the Financial Statements :

We have audited the accompanying financial statements of Infosys Limited ('the Company') which comprise the balance sheet as at 31st March, 2013, the statement of profit and loss and the 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: (i) in the case of the balance sheet, of the state of affairs of the Company as at 31st March, 2013;

- (ii) in the case of the statement of profit and loss, of the loss for the year ended on that date; and
- (iii) 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"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a 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; and
 - e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 Naigam H Shah & Co
Chartered Accountants
Firm Registration Number : 125365W

Proprietor
Membership No.: 117236

Date : 30th May, 2013
Place : Ahmedabad

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of International Housing Finance Corporation Limited ('the Company') for the year ended 31st March, 2013. We report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Fixed assets disposed of during the year were not substantial, and therefore, do not affect the going concern assumption.
- (ii) The Company is a service company, primarily rendering information technology services. Accordingly, it does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.
- (iii) (a) According to the information and explanations given to us, there are no companies, firms or other parties of the nature required to be covered in the register maintained under /section 301 of the Companies Act, 1956, except loan of Rs. 10,53,23,838/- to the parties listed in the Register maintain under section 301 of the act.
- (b) In our opinion, the rate of interest and other terms and conditions on which the loans havebeen granted to the bodies corporate listed in the register maintained under Section 301 of the Act are not, prima facie, prejudicial to the interest of the Company.
- (c) In the case of the loans granted to the bodies corporate listed in the register maintained under section 301 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangement do not stipulate any repayment schedule and the loansare repayable on demand. Accordingly, paragraph 4(iii)(c) of the Order is not applicable to the Company in respect of repayment of the principal amount.
- (d) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under section 301 of the Act.
- (e) The Company has not taken any loans, secured or unsecured from companies, firms or parties covered in the register maintained under section 301 of the Act. Accordingly, paragraphs 4(iii)(e) to 4(iii)(g) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (v)(a) above and exceeding the value of Rs 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under Section 209(1)(d) of the Act for any of the services rendered by the Company.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth tax, Service tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance, Customs duty and Excise duty. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income-tax, Sales-tax, Wealth tax, Service tax and other material statutory dues were in arrears 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 explanations given to us, there are no material dues of Wealth tax and Cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income tax, Sales tax, and Service tax, have not been deposited by the Company on account of disputes:

Sr. No.	Nature of Undisputed Statutory Dues	Amount (Rs)	Remarks
1.	Income Tax	14,84,918/-	ITAT
2.	Income Tax	16,52,244/-	ITAT
3.	Income Tax	2,10,565/-	ITAT

- (x) The Company has accumulated losses of Rs 39,70,312/- till the immediately preceding Financial Year and earned a loss of Rs 2,46,036/- during the Financial Year under this Report
- (xi) The Company did not have any outstanding dues to any financial institution, banks or debenture holders during the year.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/ society.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) The Company has not raised any funds on short-term basis.

For Naigam H Shah & Co
Chartered Accountants
Firm Registration Number : 125365W

Nigam H. Shah
Proprietor
Membership No.: 117236

Date : 30th May, 2013
Place : Ahmedabad

BALANCE SHEET AS ON 31ST MARCH, 2013

(Amount in Rs.)

Particulars	Note No.	2012-13 Rs.	2011-12 Rs.
A. EQUITY AND LIABILITIES :			
1. Shareholders' funds :			
Share capital	1	163,274,900	163,274,900
Reserves and surplus	2	(4,216,348)	(3,970,312)
2. Current liabilities :			
Short-term provisions	4	3,747,594	3,942,509
Trade Payables	3	675,757	480,009
TOTAL		163,481,903	163,727,106
B. ASSETS :			
1. Non-current assets :			
Tangible	5	339660	339660
Non-current investments	6	11427879	11427879
Long-term loans and advances	7	151,286,077	151,648,942
2. Current assets :			
Inventories	8	250,000	250000
Cash and cash equivalents	9	178,287	60,625
TOTAL		163,481,903	163,727,106
See accompanying notes forming part of the financial statements	12		

In terms of our report attached

For Naigam H Shah & Co
Chartered Accountants
Firm Registration Number : 125365W

Nigam H. Shah
Proprietor
Membership No.: 117236

Place : Ahmedabad
Date : 30/05/2013

For and on behalf of the Board of Directors

(S. B Padsala) (K R Dhanopia)
Managing Director Director

Place : Ahmedabad
Date : 30/05/2013

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

(Amount in Rs.)

Particulars	Note No.	2012-13 Rs.	2011-12 Rs.
1. Other Income	10	0	0
2. Total revenue		0	0
3. Expenses :			
Other expenses	11	246,036	455,372
4. Total expenses		246,036	455,372
5. (Loss) before tax		(246,036)	(455,372)
6. Tax expense :			
Current Tax		0	0
Deferred Tax		0	0
7. (Loss) for the year		(246,036)	(455,372)
8. Earnings per share (of Rs. 10/- each) :			
Basic		0	0
See accompanying notes forming part of the financial statements	12		

In terms of our report attached

For Naigam H Shah & Co
Chartered Accountants
Firm Registration Number : 125365W

Nigam H. Shah
Proprietor
Membership No.: 117236

Place : Ahmedabad
Date : 30/05/2013

For and on behalf of the Board of Directors

(S. B Padsala) **(K R Dhanopia)**
Managing Director Director

Place : Ahmedabad
Date : 30/05/2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013*(Amount in Rs.)*

Particulars	31/3/2013	31/3/2012
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Interest	(246,036)	(455,372)
Adjustments :		
Interest income	-	-
Operating Profit Before Working	(246,036)	(455,372)
Capital Changes		
Adjustment for :		
Trade & Other Receivables	362865	86,455
Trade Payable	(195748)	331,498
Misc. Exp.	--	--
Cash Generated from operating Activity	(78919)	(37,419)
Tax Paid	-	-
Extraordinary Items	-	-
Net Cash Flow from Operating Activities	(78919)	(37,419)
B. CASH FLOW FROM INVESTMENT ACTIVITIES :		
Sale of Fixed Assets	-	-
Interest Received	-	-
Net Cash Used in Investing Activities	-	-
C. CASH FLOW FROM FINANCING ACTIVITY :		
Increase (decrease) in borrowings	196581	-
Net Cash Flow from Financing Activity	-	-
Net Increase in Cash & Cash Equivalents	(78,919)	(37,419)
Cash & Cash Equivalent as at (Op. Balance)	60,625	98,044
Cash & Cash Equivalent as at (Cl. Balance)	178,287	60,625

As per our attached report of even date

For Naigam H Shah & Co
Chartered Accountants
Firm Registration Number : 125365W

Nigam H. Shah
Proprietor
Membership No.: 117236

Place : Ahmedabad
Date : 30/05/2013

For and on behalf of the Board of Directors

(S. B Padsala) (K R Dhanopia)
Managing Director Director

Place : Ahmedabad
Date : 30/05/2013

NOTES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31.03.2013

(Amount in Rs.)

Particulars	2012-13 Rs.	2011-12 Rs.
NOTE 4 : TRADE PAYABLES :		
Micro, Small and Medium Enterprise	0	0
Others	675,757	480,009
TOTAL	675,757	480,009

NOTE 5 : FIXED ASSETS :

Tangible Assets		Gross Block				Depreciation/Amortisation			Net Block	
Sr. No.	Particulars	As at 1/4/12 Rs.	Additions Rs.	Disposals/ Adjustments Rs.	As at 31/3/13 Rs.	As at 1/4/12 Rs.	For the year Rs.	Up to 31/3/13 Rs.	As at 31/3/13 Rs.	As at 31/03/12 Rs.
1.	Furniture and Fixtures	339,660	0	0	339,660	0	0	0	339,660	339,660
	Total	339,660	0	0	339,660	0	0	0	339,660	339,660
	Previous year	339,660	0	0	339,660	0	0	0	339,660	339,660

NOTE 6 : NON-CURRENT INVESTMENTS :

	2012-13			2011-12		
	Quoted Rs.	Unquoted Rs.	Total Rs.	Quoted Rs.	Unquoted Rs.	Total Rs.
Investments (At cost) :						
Trade :						
In Equity Shares fully paid up						
610800 shares of BNE Ltd. of Rs. 10 each	11427879	–	11,427,879	11427879	0	11427879
Total	11427879	–	11,427,879	11427879	–	11,427,879
Other :						
In Equity Shares fully paid up						
Total	0	0	0	0	0	0
TOTAL	11427879	–	11,427,879	11427879	–	11,427,879

Particulars	2012-13 Rs.	2011-12 Rs.
NOTE 7 : LONG-TERM LOANS AND ADVANCES :		
Secured and considered good	0	0
Total	0	0
Unsecured and considered good :		
Intercompany Loans	34,712,159	102,147,759
Others	116,573,918	49,501,183
Total	151,286,077	151,648,942
Total	151,286,077	151,648,942

NOTES FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED 31.03.2013

(Amount in Rs.)

Particulars	2012-13 Rs.	2011-12 Rs.
NOTE 8 : INVENTORIES : (At lower of cost and net realisable value)		
Stock in trade	250,000	250,000
TOTAL	250,000	250,000
NOTE 9 : CASH AND CASH EQUIVALENTS :		
Cash on hand	55,181	60,625
Balances with HDFC Bank Ltd.	123,106	-
TOTAL	178,287	60,625
NOTE 10 : OTHER INCOME :		
Other Income	0	0
TOTAL	0	0
NOTE 11 : OTHER EXPENSES :		
Legal, Professional and Listing Fees	5,000	309,810
Payments to auditors (Refer Note (i) below)	25,000	25,000
Listing Expenses	82,652	-
Registration Service Charges	75,843	99,264
Accounting Fees	12,000	-
Demate Charges	1,124	-
Misc Exp	2,232	-
Roc Filing Fees	11,000	-
Tds (Interest) Exp	1,325	-
Postage & Telegram Expenses	12935	11698
Advertisement Expenses	0	2800
Stamp Paper Expenses	200	300
Stationery & Printing Expenses	16725	6500
TOTAL	246,036	455,372
Notes : Payments to the auditors comprises :		
Statutory Audit Fees	25,000	25,000
TOTAL	25,000	25,000

NOTE 12 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :**Note : 12.1 : Significant Accounting Policies :****1. Method of Accounting :**

The accounts are prepared on accrual basis under the historical cost convention and on going concern concept.

2. Revenue Recognition :

- (i) Revenue in respect of sales of goods is recognised on transfer of property in the goods to the buyers, which generally coincides with the delivery of goods.
- (ii) The revenue in respect of other income is recognised when no significant uncertainty to its realisation exists.

Note 12.2 : Previous Year's Figures :

The Revised Schedule VI has become effective from 1st April, 2012 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

Note 12.3 :

The balance of sundry creditors and loans and advances are subject to confirmation of respective parties, any adjustment, if required, will be made on receipt of the same.

Note 12.4 : In The Opinion Of Board Of Directors :

- 1 The Current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business.
- 2 The provision for all known and ascertained liabilities are adequate and not in excess of the amount reasonably necessary.
- 3 Expenditure on Employment :
The company had no employee during the year, who were in receipt of remuneration aggregating to :
(1) Not more than Rs. 6,00,000/- for the year, if employee through the financial year or
(2) Not more than Rs. 50,000/- per month, if employee for the part of the financial year
- 4 Expenditure in Foreign Currency Nil
- 5 Earning in foreign currency Nil
- 6 Amount remitted during the year in Foreign Currency Nil

Note 12.5 : Income and Expenditure :

The provision of all income and expenses of the year have been done except those which are uncertain.

Note 12.6 : Related party transactions :

Details of related parties Description of relationship	Names of related parties
Company in which KMP / Relatives of KMP Significant Influence	Sankira Resorts P Ltd. N V Life Care P Ltd, B Nanji Construction P Ltd. B Nanji Enterprise Ltd, B Nanji Power Cable P Ltd. B Nanji Finance Ltd, Samal Investments P Ltd

Note : Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2013 and balances outstanding as at 31 March, 2013 :	Entities in which KMP / relatives of KMP have significant influence
Balances outstanding at the end of the year Loans and advances	34712159 (3,81,72,159)

Note : Figures in bracket relates to the previous year.

For Naigam H Shah & Co
Chartered Accountants
Firm Registration Number : 125365W

Nigam H. Shah
Proprietor
Membership No.: 117236

Place : Ahmedabad
Date : 30/05/2013

For and on behalf of the Board of Directors

(S. B Padsala) **(K R Dhanopia)**
Managing Director **Director**

Place : Ahmedabad
Date : 30/05/2013

INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED

PROXY FORM

Members Folio No.: _____

DP ID : _____

Client ID : _____

I/We _____ of _____
being a INTERNATIONAL HOUSING FINANCE CORPORATION LTD, hereby appoint
of _____ or failing him _____
of _____ or failing him _____ of _____
as my/our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting
of the Company to be held on Monday, the 30th day of September, 2013 at "Moorti Bunglows",
5 Ashoknagar Co-Operative Housing Society Ltd., B/h. Sundervan, Ahmedabad - 380015.

Signed this _____ Day of _____ 2013.

Signed by the said _____

of _____

Affix
Revenue
Stampe of
Requisite
Amount

Note : If a member is unable to attend the Meeting, he may sign this form and send it to the Company's Registered Office at : Moorti Bunglows", 5 Ashoknagar Co-op Housing Society Ltd., B/H. Sundervan, Satellite, Ahmedabad-380 015 so as to reach them not less than 48 hours before the Meeting

-----TEAR HERE-----

INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED

ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting convened at "Moorti Bunglows", 5 Ashoknagar Co-Operative Housing Society Ltd., B/h. Sundervan, Ahmedabad - 380015 on Monday 30th September, 2013.

Members Folio No.: _____

DP ID : _____

Client ID : _____

Name of the Member attending the Meeting

In case of proxy, Name of Proxy

(Signature of Member/Proxy)
(To be signed at the time of
handing over ths slip)

Note : Members/Joint members are requested to bring the attendance slip with them.

**BOOK POST
PRINTED MATTER**

To, _____

If undelivered Please return to :

INTERNATIONALHOUSING FINANCE CORPORATION LIMITED

Registered Office :

5, Moorti Bunglow, Ashok Nagar Co.Op. Hou. Soc. Ltd.,
B/h. Sundar Nager, ISRO, Satellite, Ahmedabad-380015.