

INTERNATIONAL HOUSING
FINANCE CORPORATION
LIMITED



27TH ANNUAL REPORT

2016-17



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
Mrs. Subhadraben Padsala	Director

REGISTERED OFFICE

“Moorti Bunglows”
5, Ashok Nagar Co. Op. Hou. Soc. Ltd.,
B/h Sundervan, Satellite, Ahmedabad-380015.
CIN: L65910GJ1990PLC014436
Phone: 079-65214174, 64502351
Email: ihfcl@hotmail.com
Web: www.ihfcl.com

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.

C-101,247 Park.
L.B.S. Marg, Vikhroli (West),
Mumbai-400083
Phone: 022-49186270
Fax: 022-49186060
Email: parab.trupti@linkintime.co.in
Website: www.linkintime.co.in

BANKER

HDFC Bank

STATUTORY AUDITORS

M/S NAIGAM H.SHAH & CO.

501, Himadri Complex - II,
Old High Court Lane, Income Tax Cross Road,
Ashram Road, Ahmedabad- 380009.

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the members of **INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED** will be held on Thursday, 28th September, 2017 at 11.30 a.m., at "Moorti Bunglow", 5 Ashoknagar Co-Operative Housing Society Ltd. B/h. Sundervan, Satellite, Ahmedabad-380015 for transacting the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2017, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sandip B.Padsala (holding DIN: 01870595) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint M/s. Mukesh Kumar Jain & Co., Chartered Accountants as Statutory Auditors of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s. MUKESH KUMAR JAIN & CO., Chartered Accountants, Ahmedabad (FRN — 106619W), be and are hereby appointed as Statutory Auditor of the Company, in place of the existing Statutory Auditor M/s NAIGAM H. SHAH & CO., Chartered Accountants, Ahmedabad to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration."

Regd. Office:

**International Housing Finance
Corporation Ltd.
CIN: L65910GJ1990PLC014436
"Moorti Bunglows", 5 Ashok Nagar,
B/h Sundervan, Satellite,
Ahmedabad-380015
Gujarat**

DATE: 14/08/2017

**BY THE BOARD OF DIRECTORS
FOR INTERNATIONAL HOUSING
FINANCE CORPORATION LTD.**

**SANDIPBHAI B. PADSALA
CHAIRMAN & MANAGING DIRECTOR
(DIN: 01870595)**

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 AND A PROXY NEED NOT BE A MEMBER. PROXY IN FORM NO MGT-11 TO BE

EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy of any other person or shareholder.

2. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2017 to 28th September, 2017 (both days inclusive) for the purpose of Annual General Meeting of the Company.
4. The members are requested to intimate their change of address, if any, immediately to the Company & its Registrar and Transfer Agent (RTA) Viz. Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 quoting their Folio No. or Client ID No.
5. 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 at the meeting.
6. As a measure of economy, copies of 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 Annual General Meeting.
7. Nomination facility is available to the Shareholders in respect of share held by them.
8. 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.
9. In terms of Section 152 of the Companies Act, 2013, **Mr. Sandip B. Padsala** (holding DIN: 01870595) retires by rotation at this AGM and being eligible, is proposed for re-appointment. Mr. Sandip B. Padsala has expressed his intention to act as a Director, if re-appointed. The Board of Directors of the Company recommend his re-appointment. Details of Directors proposed to be re-appointed as required in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations, 2015”) entered with the Stock Exchanges and Secretarial Standards on General Meeting issued by The Institute of Company Secretaries of India, are provided in the Report on Corporate Governance forming part of the Annual Report
10. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.

11. Voting through electronic means:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2017 (09:00 a.m.) and ends on 27th September, 2017 (06:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none">• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **INTERNATIONAL HOUSING FINANCE COPROATION LIMITED (EVSN: 170921032)** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Contact Details	
Company	INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED
Registrar and Transfer Agent	LINK INTIME INDIA PVT. LTD. C-101,247 Park. L.B.S. Marg, Vikhroli (West), Mumbai-400083 Phone: 022-49186270 Fax: 022-49186060 Email: parab.trupti@linkintime.co.in Website: www.linkintime.co.in
e-Voting Agency	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com
Scrutinizer	CS Gaurang R. Shah (Practicing Company Secretary) Email : cs@qrshah.com , csgaurang7@gmail.com

Regd. Office:
International Housing Finance Corporation Ltd.
CIN: L65910GJ1990PLC014436
“Moorti Bunglows”, 5 Ashok Nagar,
B/h Sundervan, Satellite,
Ahmedabad-380015,
Gujarat

DATE: 14/08/2017

**BY THE BOARD OF DIRECTORS
FOR INTERNATIONAL HOUSING
FINANCE CORPORATION LTD.**

**SANDIPBHAI B. PADSALA
CHAIRMAN & MANAGING DIRECTOR
(DIN: 01870595)**

DIRECTORS' REPORT

To
The Shareholders,

Your Directors hereby present the 27th Annual Report for the year ended on 31st March 2017.

FINANCIAL RESULTS:

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

(₹ in Lakhs)

PARTICULAR	2016-17	2015-16
Turnover (Net) (including other income)	Nil	Nil
Profit/(Loss) before Interest, Depreciation and Tax	(8.92)	(7.20)
Provision for Income Tax (Including Deferred Tax)	Nil	Nil
Profit/(Loss) for the year	(8.92)	(7.20)

DIVIDEND

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

FINANCE

(i) Share Capital

The paid up Equity Share Capital of the Company as on 31st March, 2017 is ₹ 163.279 Lacs During the year under review, the Company has neither issued shares with differential voting rights nor granted stock options or sweat equity.

(ii) Fixed Deposits

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

(iii) Particulars of loans, guarantees or investments

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

MATERIAL CHANGES AND COMMITMENT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and on the date of signing of this report.

INTERNAL FINANCIAL CONTROLS

The company has adequate internal financial control system with reference to the Financial Statements.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

No company has become or ceased to become the Subsidiary, Joint venture or Associate Company during the year under review. The Company does not have any Subsidiary, Joint venture or Associate Company.

CORPORATE GOVERNANCE:

Your Company has complied with all the mandatory requirements of Corporate Governance norms as mandated by Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance together with the Certificate of Mr. Gaurang Shah, a practicing Company Secretary, Ahmedabad (Mem. No. 38705) forms part of this Annual Report as “**Annexure –A**”.

CORPORATE SOCIAL RESPONSIBILITY

The requirements of corporate social responsibility in terms of Section 135 of the Companies Act, 2013 does not apply to your company.

COMPANY’S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company’s Policy relating to appointment of Directors, payment of Managerial remuneration, Directors’ qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013, the company has constituted the Nomination and Remuneration Committee and their policy and same approved by the Board. The Policy is attached at “**Annexure – B**”.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “**Annexure - C**”.

AUDITORS

(i) Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Naigam H. Shah & Co., Chartered Accountants, Ahmedabad, the existing Statutory Auditor of the Company has completed the maximum tenure that he could hold as the Statutory Auditor of the Company, hence Audit Committee has recommended to appoint new Auditors M/s. Mukesh Kumar Jain & Co., Chartered Accountants, Ahmedabad (F. R. No. 106619W), as the Statutory Auditor of Company, in place of M/s Naigam H. Shah & Co., Chartered Accountants, who shall hold office upto next Annual General Meeting. M/s. Mukesh Kumar Jain & Co., Chartered Accountants, Ahmedabad (F. R. No. 106619W), have confirmed their eligibility to the effect that if their appointment is made by the members in the ensuing Annual General Meeting, it shall be within the prescribed limits and they have also confirmed that they are not disqualified for such appointment.

Necessary resolution for appointment of the said Auditor is included in the Notice of AGM for seeking approval of members.

(ii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Gaurang Shah, a practicing Company Secretary, Ahmedabad (Mem. No. 38705), to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as “**Annexure - D**”.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE STATUTORY AUDITOR AND THE SECRETARIAL AUDITOR IN THEIR REPORTS

As regards point no. 1 of observation made by Secretarial Auditor, in respect of non-appointment of Internal Auditor, the Directors state that there are necessary control procedures prevailing within the Company which is self-sufficient for exercising proper controls.

As regards point no. 2 of observation made by Secretarial Auditor, in respect of non-appointment of Company Secretary as KMP of the Company, the Directors state that the Company is looking for the suitable candidate for the post of Company Secretary as Key Management Personnel of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has formulated a Whistle Blower policy to establish a vigil mechanism for Directors and Employees of the Company to report concern about unethical behavior, actual or suspected fraud or violation of the company’s Code of Conduct. The details of the Whistle Blower Policy posted on the website of the Company www.ihfcl.com.

DIRECTORS

(i) Retirement by rotation

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sandip B. Padsala retires by rotation and is eligible for reappointment.

(ii) Declarations by Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

(iii) Board Evaluation

In compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Nomination & Remuneration Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

(iv) Board Meetings

During the year, Four (4) Board Meetings and four (4) Audit Committee Meetings were convened and held. The details are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of the Section 134(3) (c) of the Companies Act, 2013:

(i) That in the preparation of the annual financial statements for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(ii) That such accounting policies, as mentioned in the Financial Statements as 'Significant Accounting Policies' have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2017 and of the profit of the Company for the year ended on that date;

(iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the annual financial statements have been prepared on a going concern basis;

(v) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

(vi) That proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The company has one Executive Director and due to financial constraints being faced by the company he has forgone remuneration. Further, no sitting fees has been paid to any director during the financial year 2016-17.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- a) Employed throughout the year : Nil
- b) Employed for part of the year : Nil

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

RELATED PARTY TRANSACTIONS

No Related Party Transactions were entered into during the financial year 2016-17. All Related Party Transactions entered into in the past were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interests of the Company at large.

On the recommendation of the Audit Committee, the Board of Directors has adopted a policy on Related Party Transactions, which is also uploaded on the website of the Company (www.ihfcl.com) under the head 'Investor Relations'. The Policy envisages the procedure governing related party transactions required to be followed to ensure compliance with the applicable laws and regulations as well as to ensure that the Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements.

A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The statement is supported by a certificate from the CEO.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review is presented in a separate section forming part of this Report.

REPORT ON THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT 2013.

In terms of section 22 of the SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT 2013 we report that, during 2014-15, no case has been filed under the said act.

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.

Regd. Office:

**International Housing Finance
Corporation Ltd.
CIN: L65910GJ1990PLC014436
“Moorti Bunglows”, 5 Ashok Nagar,
B/h Sundervan, Satellite,
Ahmedabad-380015, Gujarat**

DATE: 14/08/2017

**BY THE BOARD OF DIRECTORS
FOR INTERNATIONAL HOUSING
FINANCE CORPORATION LTD.**

**SANDIPBHAI B. PADSALA
CHAIRMAN & MANAGING DIRECTOR
(DIN: 01870595)**

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, 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 ₹ 8.92 lacs during the year under review as against loss of ₹ 7.20 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.

REPORT ON CORPORATE GOVERNANCE

The Securities and Exchange Board of India (SEBI) ushered in a formal code of corporate governance (hereinafter referred to as “the code”) through clause 49 in the listing agreement executed by the Company with the Stock Exchanges. The code has been periodically upgraded to ensure adoption of the best corporate governance practices by the corporates worldwide. The Code has been replaced by SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) which is effective from 1st December, 2015.

Listing Regulations lays down several corporate governance practices which listed companies are required to adopt. Most of the practices laid down Listing Regulation require mandatory compliance, few are recommendatory in nature. This report sets out the compliance status of the Company with the requirements of corporate governance as set out in Listing Agreement and Listing Regulations for the related period of their applicability with respect to financial year 2016-17.

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company has accepted the concept of Corporate Governance as a challenge and is committed to achieve highest level of Corporate Governance. Corporate Governance is nothing but to maintain high standards of transparency and fairness. To achieve the same, the Company has developed a team of educated, experienced and qualified management personnel. The Board of Directors of the Company effectively monitors the management progress and corporate decisions.

BOARD OF DIRECTORS

The Board of Directors as of the date of this report had an optimum combination of Executive and Non-Executive Directors with two woman Directors.

At the year end, the Board composition consisted of 5 Directors, comprising 3 Independent Non-Executive Directors (60% of Board Strength), 1 Executive Directors and 1 Non-Executive Director Non-Independent Woman Director (40% of Board Strength). Composition of the Board is in conformity with the provisions of the Listing Regulations.

- **The Composition of Board of Directors and other related matters of the Company as on 31/03/2017 are as follows:**

Name of the Directors	Category	No. of other Directorship in Public Ltd. Companies	No. of other Board Committees of which member/ chairman	Board Meetings attended	Attendance at Last AGM	No. of Shares held
Mr. Sandip B. Padsala	Chairman & Managing Director Non-Independent & Executive	3	Nil	4	Yes	1250900
Mr. Kamlesh R. Dhanopia	Independent and	2	Nil	4	Yes	Nil

	Non-Executive					
Mr. Prakash C. Shah	Independent and Non-Executive	Nil	Nil	4	Yes	Nil
Mr. Vinod S. Shah	Independent and Non-Executive	Nil	Nil	4	Yes	Nil
Mrs. Subhadraben Padsala	Non-Independent and Non-Executive	1	Nil	4	Yes	12200

Except between Mrs. Subhadraben B. Padsala (Non-Executive and Non- Independent Director) his son Mr. Sandip B. Padsala (Chairman & Managing Director), there is no relationship between Directors inter-se.

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

During the financial year 2016-17, Board of Directors met 04 (Four) times and the gap between two board meeting was well within the limit prescribed i.e. the Gap between two Board Meetings never exceeded 120 days. The dates of each such Board Meetings are: -

Quarter	Date (s) of Meeting
1 st Quarter - From April to June, 2016	30/05/2016
2 nd Quarter - From July to September, 2016	12/08/2016
3 rd Quarter - From October to December, 2016	14/11/2016
4 th Quarter - From January to March, 2017	14/02/2017

- **Familiarisation Programme:**

The Company has formulated policy for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. through various programmes from time to time. The said Policy is available on the website of the Company: <http://www.ihfcl.com>

With a view to familiarize the Independent Directors with the Company's operations, separate meetings of the Independent Directors were convened on 14th February, 2017 (all Independent Directors were present) wherein the Directors were given detailed presentation covering the organisational set up, details of its promoters, shareholding pattern, details about other directors on the Board, accreditations / recognitions received by the Company, financial highlights of Company's performance, strategic advantages and concerns, other directors on the board etc.

BOARD COMMITTEES:

The business of the Board is also conducted through the Committee constituted by the Board to deal with specific matters as per delegated powers for different areas of the Company.

The terms of reference of the Board Committees, their composition and attendance of the respective Members at the various Committee Meetings held during the year are set out below:

AUDIT COMMITTEE

The Composition and Terms of Reference of the Audit Committee are in compliance with the provisions of Listing Regulations.

The terms of reference of the Audit committee broadly includes, (i) oversee company's financial reporting process, (ii) recommending appointment/re-appointment and remuneration of the auditors to the Board of Directors and review of adequacy and performance of auditors, internal control systems and internal audit function (iii) review the annual and quarterly financial statement, (iv) review changes in the accounting policies and practices of major accounting entries, (v) ensuring compliance with the regulatory guidelines, (vi) review and approve related party transactions or any subsequent modification of transactions with related parties, (vii) review the adequacy of internal audit function and discuss with them (viii) review of Financial statements of Subsidiaries, significant findings (if any) apart from the other mandatory requirements specified under Listing Regulations.

The Composition of the Audit Committee as on 31/03/2017 is as under:

Name	Designation	Category	Committee Meeting attended
Mr. Prakash C. Shah	Chairman	Independent and Non-Executive	4
Mr. Kamlesh R. Dhanopia	Member	Independent and Non-Executive	4
Mr. Vinod S. Shah	Member	Independent and Non-Executive	4

Meetings Details:

In the financial year 2016-17, the Audit Committee met 04 (Four) times i.e. on 30/05/2016, 12/08/2016, 14/11/2016 and 14/02/2017.

During the year, all the recommendations of Audit Committee have been accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

The Composition and Terms of Reference of the Nomination and Remuneration Committee are in compliance with the provisions of Listing Regulations.

The Terms of Reference of the Committee include, inter-alia, evaluating and recommending the composition of the Board of Directors and Committees thereof, formulating the criteria for determining qualification, positive attributes and independence of a director and formulating criteria for appointment of KMPs and senior management, performance evaluation of independent directors, considering and recommending the appointment of Directors, KMP and Senior Management in accordance with the criteria formulated, to recommend and monitor the levels of remuneration of senior management of the company.

The Composition of the Nomination and Remuneration Committee as on 31/03/2017 is as under:

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

Two meeting of Nomination and Remuneration Committee was held on 14/02/2017 during the year 2016-17. No remuneration has been paid to the independent Director for the F.Y. 2016-17.

No remuneration was paid to Managing Director & Independent Directors during the year 2016-17.

Performance Evaluation Criteria for Independent Directors

CRITERIA

- I. Participation in Board in terms of adequacy (time & content)
- II. Contribution through expertise and perspective
- III. Guidance / support to management outside Board / Committee meetings

PROCESS

- I. Each ID conveyed their perception (with respect to criteria) of themselves and other IDs to the Chairman of the Company.
- II. Chairperson of the Board solicited views of other non-executive and Executive Directors on the IDs.
- III. Chairperson consolidated the feedback in (i) and (ii) above along with his own observations and provided consolidated feedback on each Independent Director to each such director individually.

REMUNERATION:

None of the Directors is drawing any remuneration from the Company. However, the Board has approved the payment of sitting fees to Independent Directors of the Company pursuant to section 197(5) of the Companies Act, 2013.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee has to mainly focus on the redressal of complaint/ queries relating to Transfer / Transmission / Dematerialization of Shares, Issue of Duplicate Share Certificates, Non-receipt of Annual Report, Dividend Warrants, Repayment of principal and/or interest on Fixed Deposits / Debentures, etc.

The Composition of Stakeholder Relationship Committee as on 31/03/2017 is as under:

Name	Designation	Non-executive/ independent	Committee meeting attended
Mr. Prakash C. Shah	Chairman,	Independent and Non-Executive	2
Mr. Kamlesh R. Dhanopia	Member	Independent and Non-Executive	2
Mr. Vinodbhai S. Shah	Member	Independent and Non-Executive	2

Two meeting of Remuneration Committee was held on 12/08/2016 and 14/02/2017 during the year 2016-17.

The Company has not received any complaints during the year. No complaint was pending as on 31st March 2017. The Company has no transfers pending at the close of the financial year.

GENERAL BODY MEETINGS

During the preceding three years, the Company's Annual General Meetings were held at "Moorti Bungalow", 5 Ashok Nagar Co Operative Housing Soc. Ltd, B/h. Sundervan, Satellite, Ahmedabad- 380015.

The date and time of Annual General Meetings held during last three years, and the special resolution(s) passed thereat, are as follows:

YEAR	DATE	TIME	SPECIAL RESOLUTION PASSED
2015-16	30/09/2016	11.30 A.M.	No Special Resolution was passed in the meeting
2014-15	29/09/2015	11:30 A.M.	1. Appointment of Mrs. Subhadraben Padsala as Non-Executive Director.
2013-14	27/09/2014	05:00 P.M.	1. Powers to Appoint Director as Chairman as well as the Managing Director or Chief Executive Officer at the same time. 2. Appointment of Mr. Kamlesh Dhanopia as an Independent Director. 3. Appointment of Mr. Prakash Shah as an Independent Director. 4. Appointment of Mr. Vinod Shah as an Independent Director. 5. Re - appointment of Mr. Sandip B. Padsala as the Managing Director. 6. Borrowing Powers of the Board u/s. 180(1) (c) - passing fresh Resolution as per Companies Act, 2013 requirements. 7. Providing security u/s 180(1) (a) of the Companies Act, 2013 in connection with the borrowings of the Company.

Extra Ordinary General Meeting:

During the last 3 years, there was no Extra Ordinary General Meeting held.

Details of Resolution Passed through Postal Ballot, The person who conducted the Postal Ballot Exercise and details of the voting pattern:

No resolution has been passed through the exercise of Postal Ballot during the previous year.

MEANS OF COMMUNICATION

During the year, quarterly, half-yearly and annual financial results of the Company were submitted to the stock exchanges immediately after the conclusion of the Board Meetings and were also published in two newspapers, Western Times (English) and Western Times (Gujarati).

Quarterly / Yearly results: Quarterly /Yearly financial results were placed on Company's website www.ihfcl.com.

Website: The Company's has hosted its own website www.ihfcl.com where all the information relating to shareholders and Quarterly /Yearly financial results were also available.

Official news releases: No official news released during the year.

Presentation made to institutional investors or to the analysts: No presentation was made to institutional investors or to the analyst.

Annual Report: The Annual Report containing, *interalia*, Audited Financial Statement, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

GENERAL SHAREHOLDERS INFORMATION

1.	Financial Year of the Company		1st April, 2016 to 31st March, 2017
2.	Day, Date and Time of 27TH AGM	:	Thursday, the 28 th September, 2017 at 11.30 a.m.
3.	Venue of AGM	:	at the Registered Office of the Company situated at: "Moorti Bunglows" 5, Ashoknagar Co-Operative Housing Society Ltd., B/h. Sundervan, Satellite, Ahmedabad- 380015 (Gujarat).
4.	Dates of Book Closure	:	Saturday, the 23 rd September, 2017 to Thursday, the 28 th September, 2017 (Both days inclusive)

5.	Dividend payment date	:	No dividend
6.	Listing on Stock Exchanges	:	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. (Scrip Code : 526594) (Scrip ID : BNANJEN)
7.	Annual Listing Fees	:	The Company has paid Annual Listing Fees for the Financial Years 2017-18 and 2016-17 to BSE Ltd.
8.	Payment of Depository Fees	:	Annual custody fee and custodial fee for the financial year 2017-18 and 2016-17 has paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
9.	Company's ISIN No. with NSDL & CDSL	:	INE903G01014

Market Price Data:

The data on price of equity shares of the Company are as under:

Monthly high and low prices of equity shares of the company quoted during each month in last financial year at BSE.

Month	Share Price of the Company (₹)		Volume
	High	Low	No. of Shares
April – 2016	--	--	--
May – 2016	--	--	--
June – 2016	8.85	8.85	100
July – 2016	--	--	--
August – 2016	--	--	--
September – 2016	8.41	8.41	100
October – 2016	7.99	7.99	100
November – 2016	--	--	--
December – 2016	--	--	--
January – 2017	--	--	--
February, 2017	--	--	--
March, 2017	8.28	8.28	500

*Source: www.bseindia.com

Registrar for Electronic & Physical Mode

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:

Registrar & Share Transfer Agent

LINK INTIME INDIA PVT. LTD.

C-101,247 Park.

L.B.S. Marg, Vikhroli (West),

Mumbai-400083

Phone: 022-49186270

Fax: 022-49186060

Email: parab.trupti@linkintime.co.in

Website: www.linkintime.co.in

Name of Compliance Officer: Mr. Sandip B. Padsala

Shareholding pattern as on 31st march, 2017 is as under:

Sr. No.	Category	No.of shares held	% of shareholding
1.	Promoters:		
	i) Individual/ HUF	1361200	7.58
	ii) Bodies Corporate	6912500	38.48
	Total	8273700	46.06
2.	Public:		
	i) Bodies Corporate	99800	0.55
	ii) Individuals upto ₹ 2 lakh	8347510	46.47
	iii) Individual in excess of ₹ 2 lakh	1239790	6.90
	iv) Non Residents Indians	3700	0.02
	Total	9690800	53.94
GRAND TOTAL		17964500	100.00

Distribution of shareholding as on 31st March, 2017 is as under:

No. of Shares	No. of Holders	No. of Shares	Total No. of Holders %	Total No. of Shares %
1 to 5000	8651	27657000	66.85	15.39
501 to 1000	3058	25591000	23.63	14.25
1001 to 2000	749	11003000	5.79	6.12
2001 to 3000	224	5565000	1.73	3.10
3001 to 4000	78	2860000	0.60	1.59
4001 to 5000	50	2317000	0.39	1.29
5001 to 10000	61	4634000	0.47	2.58
10001 to above	70	100018000	0.54	55.68
TOTAL	12941	17964500	100.000	100.000

Share Transfer System:

Share transfer would be registered and returned within a period of 15 (Fifteen) days from the date of receipt. The Stakeholders Relationship Committee meets on 10/15 days gap depending upon number of transfers received.

Pursuant to Clause 47(c) of the Listing Agreement and Regulation 40(9) of SEBI (listing Obligations and Disclosure requirements) Regulations, 2015 with Stock Exchanges, certificates, on half yearly basis have been issued by a Company Secretary-in-Practice for due compliance of share transfer formalities by the Company. Pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulation, 1996, certificates have been received from

a Company Secretary-in-Practice for timely dematerialisation of shares and for reconciliation of the share capital of the Company on a quarterly basis.

Outstanding GDRs/ADRs/Warrants of Conversion instruments: Nil

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 at the Stock Exchange trade became compulsory in demat form.

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

Compliance Officer and Address for correspondence:

Mr. Sandip B. Padsala,
Managing Director & Compliance Officer,
International Housing Finance Corporation Ltd.
"Moorti Bunglow",
5, Ashoknagar Co-Operative Housing Society Ltd.
B/h. Sundervan, Ahmedabad-380015.
Phone: 079-65214174/64502351
Email Id: ihfcl@hotmail.com
Website: www.ihfcl.com

Other Disclosures

Disclosure on Materially Significant Related Party Transaction:

During the financial year 2016-2017, there were no transactions of material nature with the Directors, Key Managerial Personnel and management or with their relatives that had potential conflict with the interest of the company. The policy on Material Related Party Transactions is available on the website of the Company:

<http://www.ihfcl.com/pdf/related-party-disclosure.pdf>

Details of Non-Compliance by the Company:

During the last three years, no penalties, strictures were imposed by the stock exchanges or SEBI or any other statutory authorities on any matter related to Capital Markets.

Vigil Mechanism/ Whistle Blower Policy

In accordance with requirement of Section 177 Companies Act, 2013 as well as Listing Agreement and Regulation 22 of SEBI (listing Obligations and Disclosure requirements) Regulations, 2015 a vigil mechanism/ Whistle Blower Policy has been adopted by the Board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. The said Whistle Blower Policy available on web-link:

<http://www.ihfcl.com/pdf/vigil-mechanism-whistle-blower-policy.pdf>

We affirm that the Company has not denied to any employee access to the Audit Committee.

Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company complies with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements, 2015). Non-mandatory requirements have not been adopted by the Company.

Disclosure of commodity price risks and commodity hedging activities: Not Applicable

Listing Agreement Compliance SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company complied with the mandatory requirements of Corporate Governance as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosure with respect/ unclaimed suspense account: Not Applicable

Regd. Office:

**International Housing Finance
Corporation Ltd.
CIN: L65910GJ1990PLC014436
"Moorti Bunglows", 5 Ashok Nagar,
B/h Sundervan, Satellite,
Ahmedabad-380015, Gujarat**

**BY THE BOARD OF DIRECTORS
FOR INTERNATIONAL HOUSING
FINANCE CORPORATION LTD.**

**SANDIPBHAI B. PADSALA
CHAIRMAN & MANAGING DIRECTOR
(DIN: 01870595)**

DATE: 14/08/2017

CERTIFICATE

To
The Members of
International Housing Finance Corporation Limited

I have examined the compliance of the conditions of Corporate Governance by **International Housing Finance Corporation Ltd.** (the Company) for the year ended on **31st March, 2017** as stipulates under PART-E OF SCHEDULE-V [Read with Regulations 34(3) and 53(f)] of SEBI (LODR) REGULATIONS, 2015] as per revised listing agreement of the said Company with Stock Exchange.

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's management. My examination was limited to the procedure and implementation thereof, adopted by the Company for ensuing 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 my opinion and to the best of my information and according to the explanation given to me, 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. Notes 12 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 G. R. SHAH & ASSOCIATES
COMPANY SECRETARY**

**GAURANG SHAH
PROPRIETOR
MEM NO. 38703
C.P. NO. 14446**

**Place: Ahmedabad
Date: 14/08/2017**

ANNEXUR-B TO DIRECTOR'S REPORT

NOMINATION AND REMUNERATION POLICY

INTRODUCTION

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy").

The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

APPLICABILITY

The policy shall be applicable to

a) Key Managerial Personnel, which means;

- i. Chief Executive officer and/or Managing Directors
- ii. Whole Time Director
- iii. Chief Financial Officer
- iv. Company Secretary, and such other person as may be prescribed

b) Independent Director, which means

A director referred to in the Section 146(6) of the Companies Act, 2013.

c) Senior Management, Which means

Personnel of the Company who are members of its core management team excluding Board of Director. This would also include all members of management one level below the executive directors including all functional heads.

ROLE OF THE COMMITTEE

1. Formulate the criteria for determining qualification, positive attribute and independence of a director.
2. Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and senior management personnel or other employees.
3. Formulation of criteria for evaluation of independent directors and Board.
4. Recommendation to Board, appointment and removal of Directors, Key managerial and Senior Management personnel.
5. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

CRITERIA FOR BOARD MEMBERSHIP

DIRECTORS

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

INDEPENDENT DIRECTOR

Independent Director is a director who has no direct or indirect material relationship with the company or any of its officers, other than as a director or shareholder of the company.

Independent Director shall meet all criteria specified in Section 149 (6) of the Companies Act, 2013 and rules made there under and Clause 49 of the Listing Agreement entered into with the Stock Exchange(s).

TERM/TENURE

The Term/Tenure of the Independent Directors, Key Managerial Personnel shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

REMUNERATION POLICY

DIRECTORS

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Non-Executive Directors and Whole-time Director and other Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders by way of special resolution will be obtained wherever applicable in case of remuneration to non-executive directors.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals / Business Executives. Independent Non- Executive Directors receive sitting fees for attending the meeting of the Board and Board Committees. No commission is being paid to them.

KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience / merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the Company.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

AMENDMENT TO THE POLICY

The Board of Directors on its own and /or as per recommendations of Nomination and Remuneration Committee can amend this policy, as when deemed fit.

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION AND OTHER DETAILS

CIN	:	L65910GJ1990PLC014436
Registration Date	:	27/09/1990
Name of the Company	:	INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED
Category/Sub-category of the Company	:	Public Company
Address of the Registered office & contact details	:	Moorti Bunglows, 5 Ashoknagar Co-Operative Housing Society Ltd., B/H. Sundervan, Satellite, Ahmedabad – 380015. Phone: 079-65214174 / 64502351
Whether listed company	:	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	LINK INTIME INDIA PVT. LTD. C-101,247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083 Phone: 022-49186270 Fax: 022-49186060 Email: parab.trupti@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
There is no income earned by the Company during the year under year review.			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable of Section
NONE					

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

I. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. PROMOTERS									
1) Indian									
a) Individual /HUF	1361200	---	1361200	7.577	1361200	---	1361200	7.577	NIL
b) Central Govt.									
c) State Govt. (s)									
d) Bodies Corp.	6912500	---	6912500	38.479	6912500	---	6912500	38.479	NIL
e) Banks/ FI									
f) Any Other...									
SUB TOTAL (A) (1):	8273200	---	8273700	46.056	8273700	---	8273700	46.056	NIL
2) Foreign									
a) NRIs Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/ FI									
e) Any Other...									
SUB TOTAL (A) (2):	---	---	---	---	---	---	---	---	---
Total shareholding of Promoter (A)=(A)(1)+(A)(2):	8273700	---	8273700	46.056	8273700	---	8273700	46.056	NIL
B. PUBLIC SHAREHOLDING									
1) Institutions									
a) Mutual Funds									
b) Banks/ FI									
c) Central Govt.									
d) State Govt. (s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII's									
h) Foreign Venture Capital Funds									
i) others (specify)									
SUB TOTAL (B) (1):	---	---	---	---	---	---	---	---	---
2) NON INSTITUTIONS									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) individual									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lac	860948	7035700	7896648	43.96	891810	7004600	7896410	43.96	-0.001
ii) Individual shareholders holding nominal share capital in excess of Rs, 1 Lac	323800	1362900	1686700	09.39	323800	1362300	1686100	09.39	-0.002
c) Others (Specify)									
Bodies Corporate	90662	8600	99262	0.552	91200	8600	99800	0.555	+0.003
HUFs	3290	---	3290	0.018	3290	---	3290	0.018	NIL
Custodians/ Clearing Member	1200	---	1200	0.006	1500	---	1500	0.008	NIL
NRIs	3700	---	3700	0.021	3700	---	3700	0.021	NIL
SUB TOTAL (B) (2):	1283600	8407200	9690800	53.944	1315300	8375500	9690800	53.944	NIL
Total shareholding of Promoter (B)=(B)(1)+(B)(2):	1283600	8407200	9690800	53.944	1315300	8375500	9690800	53.944	NIL
C. Shares Held by Custodian for GDRs & ADRs									
Grand TOTAL (A+B+C)	9499200	8465300	17964500	100.00	9589000	8375500	17964500	100.00	NIL

II. Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of shares Pledged/encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of shares Pledged/encumbered to total Shares	
1.	B Nanji Construction Pvt. Ltd.	6912500	38.48	---	6912500	38.48	---	---
2.	Sandip Bhikhubhai Padsala	1250900	6.96	---	1250900	6.96	---	---
3.	Subhadraben Bhikhubhai Padsala	12200	0.07	---	12200	0.07	---	---
4.	Vasanti Sandipbhai Padsala	98100	0.54	---	98100	0.54	---	---

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

Sr. No.	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year		No changes during the year	
	Data wise Increase / Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat / equity etc.)		No changes during the year	
	At the end of the year		No changes during the year	

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Kamleshkumar Saglani	152600	0.849	152600	0.849
2.	Dr. V S Patel	96500	0.537	96500	0.537
3.	Yashwant Shah	95700	0.532	95700	0.532
4.	Gokul Patel	81500	0.453	81500	0.453
5.	Jignesh V Shah	57800	0.321	57800	0.321
6.	Mithilesh Jha	47900	0.267	47900	0.267
7.	Om Prakash Misra	43900	0.244	43900	0.244
8.	Sushilkumar Agrawal	35900	0.200	35900	0.200
9.	Jitendra Ravani	32900	0.183	32900	0.183
10.	Siddharth B. Vyas	31900	0.176	31900	0.176

V. Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Sandip B. Padsala (MD)				
	At the beginning of the year	1250900	6.96	1250900	6.96
	Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	---	---	---	---
	At the end of the Year	1250400	6.96	1250400	6.96

V. INDEBTEDNESS

(in ₹)

	Secured Loan excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	---	---	---	---
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	---	---	---	---
TOTAL (i+ii+iii)	---	---	---	---
Change in Indebtedness during the financial year				
Addition	---	---	---	---
Reduction	---	---	---	---
Net Change	---	---	---	---
Indebtedness at the end of the financial year				
i) Principal Amount	---	---	---	---
ii) Interest due but not paid	---	---	---	---
iii) Interest accrued but not due	---	---	---	---
TOTAL (i+ii+iii)	---	---	---	---

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.		Name of MD/ WTD/Manger	Total Amount (in ₹)
		Mr. Sandip Padsala(MD)	
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	---	---
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	---	---
	(c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	---	---

2.	Stock Option	---	---
3.	Sweat Equity	---	---
4.	Commission - as % of Profit - Others, Specify.	---	---
5.	Others, Please Specify...	---	---
	TOTAL (A)	---	---
	Ceiling as per the Act		

B. Remuneration to other Directors

Sr. No.		Name of Directors	Total Amount (in ₹)
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	---	---
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	---	---
	(c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	---	---
2.	Stock Option	---	---
3.	Sweat Equity	---	---
4.	Commission - as % of Profit - Others, Specify.	---	---
5.	Others, Please Specify...	---	---
	TOTAL (A)	---	---
	Ceiling as per the Act		

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

Sr. No.		Key Managerial Personnel		Total Amount (in ₹)
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	---	---	---
	(b) Value of perquisites under section 17(2) Income-tax Act, 1961	---	---	---
	(c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	---	---	---
2.	Stock Option	---	---	---
3.	Sweat Equity	---	---	---
4.	Commission - as % of Profit - Others, Specify.	---	---	---
5.	Others, Please Specify...	---	---	---
	TOTAL (A)	---	---	---
	Ceiling as per the Act			

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment compounding of fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY Penalty Punishment Compounding			NONE		
B. Directors Penalty Punishment Compounding			NONE		
C. OTHER OFFICERS IN DEFAULTS Penalty Punishment Compounding			NONE		

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
International Housing Finance Corporation Limited
Ahmedabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by International Housing Finance Corporation Limited (CIN: - L65910GJ1990PLC014436) (hereinafter called "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2017 according to the provisions of:

- I. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made there under;
- II. The Companies Act, 2013 (**the Act**) and the Rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under ;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable during the reporting period under review)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable during the reporting period under review)

- d. During the Audit Period, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is not applicable;
- e. During the Audit Period, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. During the Audit period, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable;
- h. During the Audit Period, the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable.

VI The Management has identified and confirmed the following laws as specifically Applicable to the Company:

- i) Local taxes as applicable in the state of Gujarat

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

- a) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with BSE Limited pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

- The Company has not appointed Internal Auditor as mentioned in section 138 of the Companies Act, 2013
- The Company has not appointed Company Secretary as mentioned in Section 203 of The Companies Act, 2013 read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

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

Majority decisions were carried out unanimously and where it was not so, the dissenting members' views were captured and recorded as part of the minutes.

I further report that the compliance by the company of the direct and indirect tax laws has not been reviewed during this audit as the same has been subject to review by statutory auditor and other designated professionals.

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

I further report that during the audit period there were no specific events/actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc referred to above.

Date: 14/08/2017
Place: Ahmedabad

For, G R Shah & Associates
Company Secretaries

Gaurang Shah
Proprietor
C.P No: 14446

Note: This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.

Annexure-I

To,
The Members
International Housing Finance Corporation Limited
Ahmedabad

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

Our responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on our audit.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

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 ended on 31st March, 2017 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 INTERNATIONAL HOUSING FINANCE
CORPORATION LIMITED**

DATE: 14/08/2017
PLACE: AHMEDABAD

SANDIPBHAI B. PADSALA
CHAIRMAN & MANAGING DIRECTOR
(DIN: 01870595)

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, 2017, 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 INTERNATIONAL HOUSING FINANCE
CORPORATION LIMITED**

DATE: 14/08/2017
PLACE: AHMEDABAD

SANDIPBHAI B. PADSALA
CHAIRMAN & MANAGING DIRECTOR
(DIN: 01870595)

Independent Auditor's Report

To,
The Members,
International Housing Finance Corporation Ltd.

Report on the Financial Statements

We have audited the accompanying financial statements of INTERNATIONAL HOUSING FINANCE CORPORATION LTD. ('the Company') which comprise the balance sheet as at 31 March 2017, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision of the Act and Rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified u/s 143(10) of the Act. 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 on the standalone financial statement.

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, of the state of affairs of the Company as at 31 March 2017;

- i. In the case of the statement of profit and loss, of the Loss for the year ended on that date; and
- ii. 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, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to section 133 of the Act read with Rule 7 of the Companies (Accounts) Rule 2014.
 - e. On the basis of written representations received from the directors as on 31 March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
- i. The Company has disclosed the impact of pending litigations (if any) on its financial position in its financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company.

For,
Naigam H Shah & Co.
Chartered Accountants
Firm's registration number: 125365W

Naigam H Shah
Partner
Membership number: 117236

Place: Ahmedabad
Date: 25/05/2017

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has regular programme of physical verification of its fixed assets through which all the fixed assets are verified in a phased manner, over a period of three years. In our opinion, physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii. (a) The Company has granted loans to companies covered in the register maintained under Section 189 of the Companies Act, 2013. The loans have been granted based on approval of Finance Committee at varying terms and conditions which in our opinion and according to the information and explanations given to us, the terms and conditions are generally not prejudicial to the Company's interest.

(b) In respect of loans granted to parties covered in the register maintained under section 189 of the Companies Act, 2013, repayment of the principal amount and payment of interest has been regular.

(c) Read with paragraph (iii)(b) above, there are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services of the Company.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- viii. In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders. The Company does not have any outstanding dues to government during the year.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided (if any) in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.
- xiii. According to the information and explanations given by the management and considering the legal opinion obtained by the management in respect of transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and hence, not commented upon.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For,
Naigam H Shah & Co.
Chartered Accountants
Firm's registration number: 125365W

Naigam H Shah
Partner
Membership number: 117236

Place: Ahmedabad
Date: 25/05/2017

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of INTERNATIONAL HOUSING FINANCE CORPORATION LTD.

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

We have audited the internal financial controls over financial reporting of **INTERNATIONAL HOUSING FINANCE CORPORATION LTD.** (“the Company”) as of **March 31, 2017** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on for example, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of
Naigam H Shah & Co
Chartered Accountants
ICAI Firm's registration number: 125365W

Naigam H Shah
Proprietor
Membership number: 117236

Place: Ahmedabad
Date: 25/05/2017

International Housing Finance Corporation Limited

CIN : L65910GJ1990PLC014436

Balance Sheet as at 31 March, 2017

Particulars		Note No.	2016-17	2015-16
			₹	₹
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	Share capital	1	163,274,900	163,274,900
	Reserves and surplus	2	(10,282,524)	(9,389,578)
2	Current liabilities			
	Short-term provisions	3	3,544,880	3,567,602
	Trade Payables	4	621,465	444,693
	TOTAL		157,158,721	157,897,617
B	ASSETS			
1	Non-current assets			
	Tangible	5	339660	339660
	Non-current investments	6	11427879	11427879
	Long-term loans and advances	7	144,937,779	145,836,253
2	Current assets			
	Inventories	8	250,000	250000
	Cash and cash equivalents	9	203,403	43,825
	TOTAL		157,158,721	157,897,617
	See accompanying notes forming part of the financial statements	12		

In terms of our report attached.

For Naigam H. Shah & Co.

Chartered Accountants

For and on behalf of the Board of Directors

INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED

Naigam Shah
Partner

Director
SANDIP PADSALA
DIN: 01870595

Director
PRAKASH SHAH
DIN: 00677517

Place : Ahmedabad

Date : 25/05/2017

Place : Ahmedabad

Date : 25/05/2017

International Housing Finance Corporation Limited**CIN : L65910GJ1990PLC014436****Statement of Profit and Loss for the year ended 31 March, 2017**

Particulars		Note No.	2016-17	2015-16
			Rs.	Rs.
1	Other Income	10	0	1
2	Total revenue		0	1
3	Expenses			
	Other expenses	11	892,946	720,481
4	Total expenses		892,946	720,481
5	(Loss) before tax		(892,946)	(720,480)
6	Tax expense			
	Current Tax		0	0
	Deferred Tax		0	0
7	(Loss) for the year		(892,946)	(720,480)
8	Earnings per share (of Rs. 10/- each):			
	Basic		(0.05)	(0.04)
	See accompanying notes forming part of the financial statements	12		

In terms of our report attached.

For Naigam H. Shah & Co.

Chartered Accountants

For and on behalf of the Board of Directors**INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED****Naigam Shah**
Partner**Director**
SANDIP PADSALA
DIN: 01870595**Director**
PRAKASH SHAH
DIN: 00677517Place : Ahmedabad
Date : 25/05/2017Place : Ahmedabad
Date : 25/05/2017

INTERNATIONAL HOUSING FINANCE CORPORATION LTD**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017**

Particulars	31-Mar-17	31-Mar-16
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Interest	(892,946.00)	(720,480)
<u>Adjustments :</u>		
Interest income	-	-
Operating Profit Before Working Capital Changes	(892,946)	(720,480)
Adjustment for :		
Trade & Other Receivables	898,473	1,065,719
Trade Payables	154,050	(348,473)
Misc.exp.		
	1,052,523	717,246
Cash Generated from operating Activity	159,577	(3,234)
tax paid	-	-
Extraordinary Items		
Net Cash Flow from Operating Activities	159,577	(3,234)
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	-	-
Net Cash Flow from Financing Activity		
Net Increase in Cash & Cash Equivalents	159,577	(3,234)
Cash & Cash Equivalent as at (Op. Balance)	43,826	47,060
Cash & Cash Equivalent as at (Cl. Balance)	203,403	43,826

As per our report of even date attached.

For NAIGAM H SHAH & CO.
Chartered Accountants

(Naigam H Shah)
Proprietor
Place : Ahmedabad
Date : 25/05/2017

International Housing Finance Corporation Limited
CIN : L65910GJ1990PLC014436

Note 1 : Share capital :

Particulars	2016-17		2015-16	
	Number of shares	Rs.	Number of shares	Rs.
Authorised Equity shares of ₹ 10 each with voting rights	20,000,000	200,000,000	20,000,000	200,000,000
Total	20,000,000	200,000,000	20,000,000	200,000,000
Issued, Subscribed and Fully Paid up Equity shares of ₹ 10 each with voting rights Less : Share Allotment Money Receivable	17,964,500	179,645,000 16,370,100	17,964,500	179,645,000 16,370,100
Total	17,964,500	163,274,900	17,964,500	163,274,900

1.1 The Details of Shareholders holding more than 5% Shares :

Particulars	2016-17		2015-16	
	Number of shares		Number of shares	
B. Nanji Construction P Ltd	6,912,500		6,912,500	
Sandeep B Padsala	1,250,400		1,250,400	

Note 2 : Reserves and surplus :

Particulars	2016-17	2015-16
	Rs.	Rs.
Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(23,139,578)	(22,419,098)
Add: (Loss) for the year	(892,946)	(720,480)
Closing balance	(24,032,524)	(23,139,578)
Particulars	2016-17	2015-16
	₹	₹
General Reserve		
Opening balance	13,750,000	13,750,000
Add: (Loss) for the year	-	-
Closing balance	13,750,000	13,750,000
TOTAL	(10,282,524)	(9,389,578)

Note 3 : Short-term provisions :

Particulars	2016-17	2015-16
	Rs.	Rs.
Shailesh Bharadiya	55,000	25,000
Tds Payable	7,771	5,910
Income Tax Payable	3,445,609	3,445,609
Hemendra C. Shah & Co.	5,000	5,000
Naigam H. Shah & Co.	31,500	86,083
		-
Total	3,544,880	3,567,602

International Housing Finance Corporation Limited
CIN : L65910GJ1990PLC014436

Note : 5 : Fixed Assets :

Tangible assets	Gross block			Depreciation/ Amortisation			Net Block		
	As at 1.4.2016	Additions	Disposals/ Adjustmen ts	As at 31.3.2017	As at 1.4.2016	For the year	Upto 31.3.2017	As at 31.3.2017	As at 31.3.2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
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 4 : Trade payables :

Particulars	2016-17	2015-16
	Rs.	Rs.
Micro, Small and Medium Enterprise Others	621,465	444,693
Total	621,465	444,693

Note 6 : Non-current investments :

	2016-17			2015-16		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	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

Note 7 : Long-term loans and advances :

Particulars	2016-17	2015-16
	Rs.	Rs.
Secured and considered good	0	0
Total	0	0
Unsecured and considered good		
Intercompany Loans	95,535,779	95,535,779
Others	49,402,000	50,300,474
Total	144,937,779	145,836,253
Total	144,937,779	145,836,253

Note 8 : Inventories :

(At lower of cost and net realisable value)

Particulars	2016-17	2015-16
	Rs.	Rs.
Stock in trade	250,000	250,000
Total	250,000	250,000

Note 9 : Cash and cash equivalents :

Particulars	2016-17	2015-16
	Rs.	Rs.
Cash on hand	50,112	13,210
Balances with HDFC Bank Ltd.	153,291	30,615
Total	203,403	43,825

Note 10 : Other income :

Particulars	2016-17	2015-16
	Rs.	Rs.
Kasar		1
Total	0	1

Note 11 : Other expenses :

Particulars	2016-17	2015-16
	Rs.	Rs.
Advertisement Expenses	44631	56960
Entertainment Exps	0	140
E Voting Expenses	8189	8860
Legal Exps	500	1427
Legal and Professional fees	217500	53500
Listing Expenses	315,990	278,978
Payments to auditors (Refer Note (i) below)	35,000	50,000
Misc. Exps.	88	0
Postage & Telegram Expenses	124213	126971
Registration Service Charges	133,081	110,118
Roc Filing Fees	6,000	22,800
Stationery & Printing Expenses	4725	10075
Tds (Interest) Exp	3,029	652
Total	892,946	720,481

Notes:

Particulars	2016-17	2015-16
	Rs.	Rs.
Payments to the auditors comprises:		
Statutory Audit Fees	25,000	50,000
Certification Fees	10,000	-
Total	35,000	50,000

International Housing Finance Corporation Limited

CIN : L65910GJ1990PLC014436

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.

3 Audit fees are not booked during the year.

Note 12.2 : Previous Year's Figures :

The Revised Schedule VI has become effective from 1 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. 24,00,000/- for the year, if employee throughout the financial year or
(2) Not more than Rs. 2,00,000/- 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 can 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, 2017 and balances
outstanding as at 31 March, 2017:**

	Entities in which KMP / relatives of KMP have significant influence
<u>Balances outstanding at the end of the year</u>	
Loans and advances	105188883 (105188883)

Note: Figures in bracket relates to the previous year

In terms of our report attached.

For Naigam H. Shah & Co.
Chartered Accountants

For and on behalf of the Board of Directors
INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED

Naigam Shah
Partner

Director
SANDIP PADSALA
DIN: 01870595

Director
PRAKASH SHAH
DIN: 00677517

Place : Ahmedabad
Date : 25/05/2017

Place : Ahmedabad
Date : 25/05/2017

INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED

CIN: L65910GJ1990PLC014436

Regd. Office: Moorti Bunglows, 5 Ashok Nagar Co-Operative Housing Society Limited,
B/h. Sundervan, Satellite, Ahmedabad - 380015.

Phone: (079) 65214174 / 64502351 E-mail: ihfcl@hotmail.com Website: www.ihfcl.com

Form No: MGT 11 PROXY FORM

Name of the Member (s)	:	
Registered Address	:	
Email-Id	:	
Folio No.	:	
DP ID/Client ID	:	

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____, or failing
him
2. Name: _____
Address: _____
E-mail Id: _____
Signature: _____, or failing
him
3. Name: _____
Address: _____
E-mail Id: _____
Signature: _____

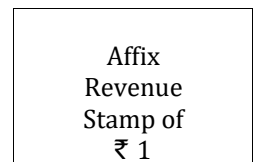
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on Thursday, the 28th September, 2017 at 11.30 a.m. at "Moorti Bunglows", 5 Ashok Nagar Co-Operative Housing Society Ltd, B/h. Sundervan, Satellite, Ahmedabad - 380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

RESOLUTION NO.	RESOLUTION
ORDINARY BUSINESS	
1	To consider and adopt the audited financial statements of the Company for the year ended 31st March, 2017, together with the Report of the Directors and Auditors' thereon.
2	To appoint a Director in place of Mr. Sandip Padsala (holding DIN: 01870595), who retires by rotation and being eligible, offers himself for re-appointment.
3	To appoint M/s. Mukesh Kumar Jain & Co., Chartered Accountants (ICAI Registration No. 106619W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Signed this _____ day of _____ 2017

Signature of shareholder(s) _____

Signature of Proxyholder(s) _____



Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) before submission.

INTERNATIONAL HOUSING FINANCE CORPORATION LIMITED

CIN: L65910GJ1990PLC014436

Regd. Office: Moorti Bunglows, 5 Ashok Nagar Co-Operative Housing Society Limited,
B/h. Sundarvan, Satellite, Ahmedabad – 380015.

Phone: (079) 65214174 / 64502351 E-mail: ihfcl@hotmail.com Website: www.ihfcl.com

ATTENDANCE SLIP

(To be presented at the entrance)

27th Annual General Meeting on Thursday, the 28th September, 2017 at 11:30 a.m.

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member : _____ Signature: _____

Name of the Proxy holder : _____ Signature: _____

1. Only Member / Proxyholder can attend the Meeting.
 2. Member / Proxyholder should bring his/her Copy of the Annual Report for the reference at the Meeting.
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ROUTE MAP TO THE VENUE 27TH AGM OF INTERNATIONAL HOUSING FINANCE CORPORATION LTD.

