

**Hand Delivery**

August 11, 2016

Mr A K Das – Asst. General Manager (Company Secretary)  
Central Bank of India  
Debenture Trustee Section  
Merchant Banking Division  
4<sup>th</sup> Floor, Mumbai Main Office Building  
Fort, Mumbai 400001

Dear Sir,

**Sub: Statutory compliance – Auditors' Certificate for the quarter ending June 30, 2016.**

We enclose herewith a copy of the certificate issued by our auditors, Messrs Deloitte Haskins & Sells LLP, for the quarter ending June 30, 2016.

We hope the same meets your requirement.

Thanking you,

Yours faithfully,  
for Housing Development Finance Corporation Limited

  
Ajay Agarwal  
Company Secretary

encl: as above



REF: GKS/ 1259

## AUDITORS' CERTIFICATE

1. We have reviewed the unaudited books of account as at and for the quarter ended June 30, 2016 and other relevant records maintained by **HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED** (the "Corporation") for the purpose of certifying the accompanying "Statement as at and for the quarter ended June 30, 2016 for submission to **IDBI Trusteeship Services Limited, the Debenture Trustees**" of the Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs") (hereinafter referred to as the "Statement"), duly stamped and signed for identification purpose only.
2. The Management of the Corporation is responsible for the adherence with the conditions mentioned in the Debenture Trust Deed and the applicable regulations. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring such compliance. The Management of the Corporation is also responsible for the preparation of the said Statement and the maintenance of proper books of account and such other records as prescribed under the Debenture Trust Deed.
3. Our responsibility, for the purpose of this certificate, is limited to certifying the particulars contained in the Statement, on the basis of the unaudited books of account and other relevant records and documents maintained by the Corporation and produced before us.

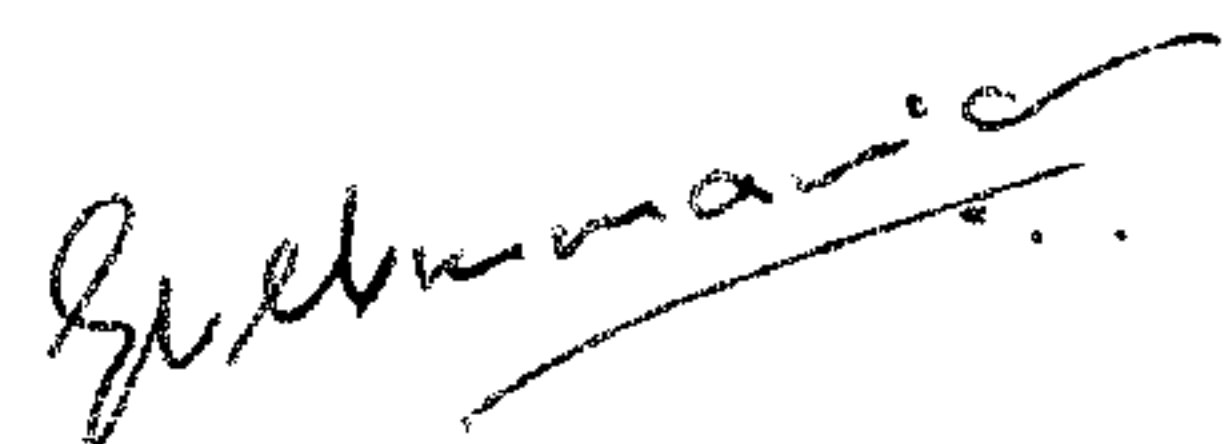
We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India, in so far as applicable for the purpose of this certificate, which include the concepts of test checks and materiality.

With regard to the assurance on the information contained in the Statement, our procedures have been planned to obtain all information and explanations that we considered necessary to support our certification. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our certification.

4. On the basis of our examination of such unaudited books of account and other relevant records and documents and according to the information, explanations and representations provided to us by the Management of the Corporation, we certify that following assertions made by the Corporation in the said Statement, are in agreement with the aforesaid unaudited books of account and other relevant records and documents maintained by the Corporation:

- i. the funds raised by issue of NCD's during the quarter ended June 30, 2016 have been utilised for the purposes for which they were raised;
  - ii. the Corporation has paid the interest due on NCD's during the quarter ended June 30, 2016;
  - iii. the Corporation has redeemed NCDs that were due for redemption during the quarter ended June 30, 2016;
  - iv. the properties used as security for the Secured NCDs are adequately insured; the insurance policy is jointly in the name of the Corporation and the Debenture Trustees;
  - v. there were no defaults in the payment of interest and principal during the quarter ended June 30, 2016; and
  - vi. the Corporation has maintained an adequate asset cover ratio for the NCD's as at June 30, 2016.
  - vii. the Corporation has not created Debenture / Bond Redemption Reserve as per the General Circular no. 4/2003 dated January 16, 2003 issued by the Department of Company Affairs and Rule 18 (7) (b) (ii) of Companies (Share Capital and Debentures) Rules, 2014.
5. The Statement has been prepared by the Corporation for submission to the Debenture Trustees as required by their letter no. 505/ITSL/MC/2015 dated June 9, 2016. As a result, our certificate may not be suitable for another purpose. Our certificate is intended solely for the information and use of Debenture Trustees and the Board of Directors of the Corporation and is not intended to be and should not be used by anyone other than these specified parties.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No.117366W/W-100018)



G. K. Subramaniam  
Partner  
(Membership No. 109839)

MUMBAI, August 9 , 2016



Statement as at and for the quarter ended June 30, 2016 ('the period') for submission to the Debenture Trustees

**(A) End use of Secured Redeemable Non-Convertible Debentures / Bonds ("NCDs")**

During the quarter the Corporation has raised Rs. 13,040 crore by way of issue of NCDs and the same has been utilised for the purposes for which they were raised.

**(B) Payment of interest up to the last due date**

All Interest payments falling due during the period have been made.

**(C) Status of redemption of Debentures on due dates**

All redemption payments falling due during the period have been made and there is no default in any redemption payments by the Corporation for the period.

**(D) Insurance of properties secured for the Debentures**

The properties used as security for the Secured NCDs is adequately insured; the insurance policy is jointly in the name of the Corporation and the Debenture Trustees;

**(E) Status of default in Principal and Interest**

The Corporation has not defaulted in the payment of interest and principal during the period.

**(F) Asset Cover Ratio as at June 30, 2016**

The Corporation has maintained an adequate asset coverage ratio for the NCD's as at June 30, 2016. Statement showing the calculation of Asset Coverage Ratio is as follows:

**(I) Particulars of Secured NCD's issued and outstanding and Asset Cover**

(Rs in Crore)

Nature of Liability	Outstanding Balance as on 30.06.16
Non-Convertible Debentures and Bonds	97,880.20
Accrued Interest on Non-Convertible Debentures and Bonds	3,745.56
Premium Payable on Redemption of Non-Convertible Debentures	1,614.40
<b>Total</b>	<b>1,03,240.16</b>



**II. Particulars of assets available as cover for Secured NCDs as at June 30, 2016**

(Rs in Crore)

Loans		2,65,174.58
Investments		19,227.62
Fixed Assets		657.93
Other Assets		15,222.10
<b>Total Assets</b>	<b>(B)</b>	<b>3,00,282.23</b>
Less :		
Secured Borrowings		19,516.48
Other Preferential Liabilities		678.03
	<b>(C)</b>	<b>20,194.51</b>
<b>Total available for asset cover (B-C)</b>	<b>(D)</b>	<b>2,80,087.72</b>

**III. Asset Cover Ratio as at June 30, 2016**

Particulars		Asset Cover
Asset Cover available	(D / A)	2.71

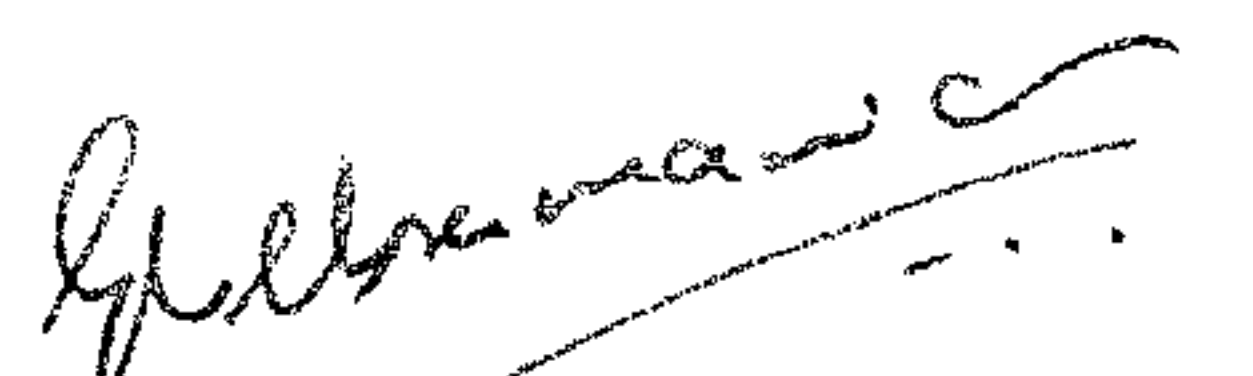
**(G) Debenture / Bond Redemption Reserve**

The General Circular no. 4/2003 dated January 16, 2003 issued by the Department of Company Affairs and Rule 18 (7) (b) (ii) of Companies (Share Capital and Debentures) Rules, 2014 does not require the Corporation to create a Debenture / Bond Redemption Reserve

**For Housing Development Finance Corporation Limited**

In terms of our certificate bearing reference no. GKS/1259 dated August 9, 2016 attached.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firms Registration No. 117366W/W - 100018)

  
G.K. Subramaniam  
Partner  
Membership No. 109839

  
(Authorised Signatory)

Mumbai, August 9, 2016

