

## INDEPENDENT AUDITOR'S REPORT

The Chief Financial Officer,  
National Housing Bank,  
Core-5A, India Habitat Centre,  
Lodhi Road,  
New Delhi - 110003

### Report on the Project Financial Statements

We have audited the accompanying financial statements of the National Housing Bank - Low Income Housing Finance Project financed under Credit No. 5283-IN, which comprise the statement of Sources and Application of Funds and the Reconciliation of Claims to Total Applications of Funds for the period ended 30.06.2018 (01.07.2017 to 30.06.2018). These statements are the responsibility of the Project's Management. Our responsibility is to express an opinion on the accompanying financial Statements based on our audit.

We conducted our audit in accordance with the Auditing Standards promulgated by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our Audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the sources and application of funds of National Housing Bank - Low Income Housing Finance Project for the period ended 30.06.2018 (01.07.2017 to 30.06.2018) in accordance with Institute of Chartered Accountants of India Accounting Standards.

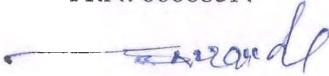
In addition, as shown by records provided to us, and to the best of our information and according to the explanations given to us:

- a) With respect of Internal Unaudited Financial Report, adequate supporting documentation has been maintained to support claims to the Government of India for the reimbursements of expenditure incurred;
- b) We have verified the Statement of Sources and Application of Funds as well as the Statement of Reconciliation of Claims to Total Application of Funds.
- c) Expenditures (including sub Loans to PLIs) shown in the PFS are eligible for financing under the legal agreements, are recorded in the books of account of NHB and no other sources of funds have been received by NHB for these expenditures;

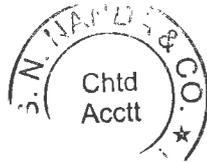


- d) The bank funds claimed during the reported period shown in the Project Financial Statements are eligible under the agreements. However, part amount received by NHB from Government of India. The same are recorded in the books of accounts as assets & liability. Further necessary disclosures have also been made in the notes to accounts.
- e) The accounting, and internal control systems underlying the project, including material compliance with the Project Operational Manual, and oversight over the Project funds were adequate and maintained throughout the audit period;
- f) Project funds have been provided to PLIs that meet the eligibility criteria given in the Project Operational Manual and that the aggregate of the housing loans made to beneficiaries under each category (quadrant) is within the individual limits set forth in the Project Operational Manual;
- g) Contracts for consultancy services have been provided as per the agreed procedures. During the FY 2017-18, no Contract has been given.

For S.N. Nanda & Co.  
Chartered Accountants  
FRN: 000685N



S. N. Nanda  
Partner  
Partner M. No. 005909



Date : September 04, 2018  
Place New Delhi

### Management Letter

The Chief Financial Officer,  
National Housing Bank,  
Core-5A, India Habitat Centre,  
Lodhi Road,  
New Delhi - 110003

Respected Sir,

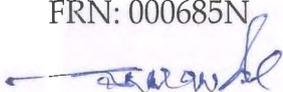
This management letter is provided in connection with your audit of the Project Financial Statements of the Low Income Housing Finance Project under Credit No. 5283- IN (the Project) for the year ended on 30.06.2018 (01.07.2017 to 30.06.2018) for the purpose of expressing an opinion on the findings of the audit and recommendations for improvement in Internal Control and other matters coming to attention of the auditor during the audit.

Our audit plan was prepared using a risk-based methodology that includes an assessment of the systems, records & control of the Bank.

The following methodology was adopted for the purpose of our review:

- Review of the agreements entered by the IDA, Government of India & National Housing Bank provided to us.
- Verification of the quarterly Internal Unaudited Financial Report along with the refinance disbursement sheet provided by the PLI to the concerned Department.
- Selection of sample cases of disbursements, in order to ensure effectiveness of disbursement methodology to achieve the end objective of the Project.
- Verification of compliance of the project with the Operational Manual, identification of key risk/weaknesses, methods for mitigation of these key risks/weaknesses.
- The bank funds claimed during the reported period shown in the Project Financial Statements are eligible under the agreements; however part amount received by NHB from the Government of India.

For S.N. Nanda & Co.  
Chartered Accountants  
FRN: 000685N



S. N. Nanda  
Partner  
M. No. 005909

Date : September 04, 2018  
Place New Delhi

NATIONAL HOUSING BANK

India: Low Income Housing Finance Project (Credit No. 5283-IN)  
Statement of Reconciliation of Claims to Total Applications of Funds

Report for the year ended 30.06.2018

| Particulars  | Schedules | (In ₹)         |                |                |                |                |                |               |                 |
|--|-----------|----------------|----------------|----------------|----------------|----------------|----------------|---------------|-----------------|
|  |           | Current Year   |                |                |                |                |                |               | Project to date |
|  |           | 2017-18        | 2016-17        | 2015-16        | 2014-15        | 2013-14        | 2012-13        |               |                 |
|  |           | (July to June) |               |                 |
| Bank Funds claimed during the reporting period ( A )                         | I         | 685,578,165    | 2,979,711,258  | 1,483,816,674  | 155,343,443    | 491,658,453    | 0              | 5,796,107,993 |                 |
| Total Expenditure made during the year ( B )                                 |           | 832,999,895    | 1,720,407,873  | 2,663,530,557  | 209,289,829    | 184,821,962    | 302,325,096    | 5,913,375,212 |                 |
| Less: Ineligible expenditures (C)  |           | 0              | 0              | 0              | 0              | 0              | 0              | 0             |                 |
| Expenditures not claimed ( D )   |           | 0              | 0              | 0              | 0              | 184,821,962    | 0              | 0             |                 |
| Shortfall Amount received due to Forex Fluctuation and Capping on Quadrant 1 |           | 0              | 0              | 0              | 0              | 18,896,635     | 0              | 18,896,635    |                 |
| Expenditure incurred under Component I & III, but not claimed **             |           | 1,399,895      | 2,607,873      | 5,430,557      | 4,175,190      | 0              | 0              | 13,613,515    |                 |
| Expenditure incurred during the year but not claimed till year end           |           | 0              | 0              | 0              | 0              | 165,925,327    | 0              | 0             |                 |
| Total Eligible Expenditures Claimed by NHB ( E ) = ( B ) - ( C ) - ( D )     |           | 831,600,000    | 1,717,800,000  | 2,658,100,000  | 205,114,639    | 302,325,096    | 0              | 5,880,865,062 |                 |
| World Bank Share @ 100% of (E) above = ( F )                                 | II        | 831,600,000    | 1,717,800,000  | 2,658,100,000  | 205,114,639    | 302,325,096    | 0              | 5,880,865,062 |                 |
| ( A ) - ( F )*   |           | -146,021,835   | 1,261,911,258  | -1,174,283,326 | -49,771,196    | 189,333,357    |                | -84,757,069   |                 |

V. Sambamurthy  
Deputy General Manager NHB

  
Deputy General Manager NHB

For S.N. Nanda & Co.  
Chartered Accountants  
FRN: 000685N

S. N. Nanda  
Partner M. No. 005909



Component Wise Expenses are given as under:

| Particulars | Claim in INR submitted under Component I | Claim in INR submitted under Component II | Claim in INR submitted under Component III |
|-------------|--|---|--|
| Expenses    | Nil                                      | 5,880,865,062                             | 13,613,515#                                |

# Expenditure incurred under Component III are not being claimed from World Bank. The figures are shown only for information.

  
Deputy General Manager NHB

  
Deputy General Manager NHB



For S.N. Nanda & Co.  
Chartered Accountants  
FRN: 000685N


S. N. Nanda  
Partner M. No. 005909

Dated: September 04, 2018

**Schedule I**

**Bank Funds claimed during the reporting period (ss on June 30, 2018)**

| Date of Receipt by Govt. of India | SDR                 | Exch Rate (SDR-USD) | USD               | Exch Rate (USD-INR) | INR                |
|-----------------------------------|---------------------|---------------------|-------------------|---------------------|--------------------|
| 22-Aug-17                         | 6,314,587.92        | 1.40870             | 8,895,360         | 64.0748             | 569,968,413        |
| 23-Mar-18                         | 1,219,757.56        | 1.45438             | 1,773,991         | 65.1693             | 115,609,752        |
| <b>TOTAL</b>                      | <b>7,534,345.48</b> |                     | <b>10,669,351</b> |                     | <b>685,578,165</b> |

**Schedule II**

**Details of IUFR - Quarter Wise**

| Period ended | July-June 2013-14  | July-June 2014-15  | July-June 2015-16    | July-June 2016-17    | July-June 2017-18  | Cumulative    |
|--------------|--------------------|--------------------|----------------------|----------------------|--------------------|---------------|
| 31.12.13     | 302,325,096        | -                  | -                    | -                    | -                  | 302,325,096   |
| 31.03.14     | 147,499,408        | -                  | -                    | -                    | -                  | 449,824,504   |
| 30.06.14     | 18,425,919         | -                  | -                    | -                    | -                  | 468,250,423   |
| 30.09.14     | -                  | 1,915,017          | -                    | -                    | -                  | 470,165,440   |
| 31.12.14     | -                  | 55,591,133         | -                    | -                    | -                  | 525,756,573   |
| 31.03.15     | -                  | 144,506,766        | -                    | -                    | -                  | 670,263,339   |
| 30.06.15     | -                  | 3,101,723          | -                    | -                    | -                  | 673,365,062   |
| 30.09.15     | -                  | -                  | 220,000,000          | -                    | -                  | 893,365,062   |
| 31.12.15     | -                  | -                  | 188,400,000          | -                    | -                  | 1,081,765,062 |
| 31.03.16     | -                  | -                  | 1,934,800,000        | -                    | -                  | 3,016,565,062 |
| 30.06.16     | -                  | -                  | 314,900,000          | -                    | -                  | 3,331,465,062 |
| 30.09.16     | -                  | -                  | -                    | 90,000,000           | -                  | 3,421,465,062 |
| 31.12.16     | -                  | -                  | -                    | 40,000,000           | -                  | 3,461,465,062 |
| 31.03.17     | -                  | -                  | -                    | 1,020,000,000        | -                  | 4,481,465,062 |
| 30.06.17     | -                  | -                  | -                    | 567,800,000          | -                  | 5,049,265,062 |
| 30.09.17     | -                  | -                  | -                    | -                    | -                  | 5,049,265,062 |
| 31.12.17     | -                  | -                  | -                    | -                    | 495,300,000        | 5,544,565,062 |
| 31.03.18     | -                  | -                  | -                    | -                    | 139,700,000        | 5,684,265,062 |
| 30.06.18     | -                  | -                  | -                    | -                    | 196,600,000        | 5,880,865,062 |
| <b>Total</b> | <b>468,250,423</b> | <b>205,114,639</b> | <b>2,658,100,000</b> | <b>1,717,800,000</b> | <b>831,600,000</b> |               |

*V. Jambanurthy*

Deputy General Manager NHB

*[Signature]*

Deputy General Manager NHB



For S.N. Nanda & Co.  
Chartered Accountants  
FRN: 000685N

S. N. Nanda  
Partner  
M. No. 005909



Dated: September 04, 2018

**Name of the Project India: Low Income Housing Finance Project**  
**Loan/Credit/Grant No.: Credit No. 5283-IN**

**Statement of Sources and Applications of Funds**  
**Report for the year ended June 30, 2018**

(In ₹)

| Particulars  | Current Year<br>2017-18 | 2016-17       | 2015-16       | 2014-15     | 2013-14     | 2012-13     | Project to<br>date |
|--|-------------------------|---------------|---------------|-------------|-------------|-------------|--------------------|
| Opening Balance, (if cash balances are controlled by the entity) (A)   | -                       | -             | -             | -           | -           | -           | -                  |
| <b>Receipts</b>  |                         |               |               |             |             |             |                    |
| National Housing Bank*   | -667,000,105            | -38,214,136   | 763,288,891   | 209,289,829 | 165,925,327 | 302,325,096 | 735,614,902        |
| Funds received from Government through Budget (These will include external assistance received by Government for the project.) | 1,500,000,000           | 1,758,763,675 | 1,900,000,000 | Nil         | Nil         | Nil         | 5,158,763,675      |
| Funds received directly by Project Implementing Authority through external assistance  | Nil                     | Nil           | Nil           | Nil         | Nil         | Nil         | Nil                |
| Beneficiary Contribution (if any)  | Nil                     | Nil           | Nil           | Nil         | Nil         | Nil         | Nil                |
| <b>Total Receipts (B)</b>  | 832,999,895             | 1,720,549,539 | 2,663,288,891 | 209,289,829 | 165,925,327 | 302,325,096 | 5,894,378,577      |
| <b>Total Sources (C = A+B)</b>   | 832,999,895             | 1,720,549,539 | 2,663,288,891 | 209,289,829 | 165,925,327 | 302,325,096 | 5,894,378,577      |
| <b>Expenditures by Component</b>   |                         |               |               |             |             |             |                    |
| Component - I  | Nil                     | Nil           | Nil           | Nil         | Nil         | Nil         | Nil                |
| Component - II   | 831,600,000             | 1,717,800,000 | 2,658,100,000 | 205,114,639 | 165,925,327 | 302,325,096 | 5,880,865,062      |
| Component - III ** #   | 1,399,895               | 2,749,539     | 5,188,891     | 4,175,190   | -           | -           | 13,513,515         |
| <b>Total Expenditures (D)</b>  | 832,999,895             | 1,720,549,539 | 2,663,288,891 | 209,289,829 | 165,925,327 | 302,325,096 | 5,894,378,577      |
| Closing Balance, (if cash balances are controlled by the entity) (C-D)   | -                       | -             | -             | -           | -           | -           | -                  |

\* Amount includes expenditure incurred under Component I &amp; III

\*\* Expenditure incurred under Component III are not being claimed from World Bank. The figures are shown only for information.

# excluding provisioning of Rs. 100,000/- provided during June 2018 under Component III



*V. Sambamurthy*  
Deputy General Manager NHB

*[Signature]*  
Deputy General Manager NHB

For S. N. Nanda & Co.  
Chartered Accountants  
FRN: 000685N

S. N. Nanda  
Partner M. No. 005909



## Interim Unaudited Financial Report

IFR 1

LOW INCOME HOUSING FINANCE PROJECT  
Credit No. 5283-IN  
Implementing Agency - National Housing Bank  
Sources and Uses of Funds for the quarter ended 30.06.2018

In INR

| Sr.No.     | Item   | Amount                                    |   |                              |
|------------|--|---|---|------------------------------|
|            |  | Current Quarter (CQ)<br>Apr 18 - Jun 2018 | Year to Date (YTD)<br>July 17 - June 18 | Cummulative to Date<br>(CTD) |
| 1          | 2  | 3   | 4                                       | 5                            |
| <b>A</b>   | <b>SOURCES OF FUNDS</b>  |   |   |                              |
| i)         | IDA  | 196,600,000                               | 831,600,000                             | 5,880,865,062                |
| ii)        | NHB  | -   | -                                       | -                            |
|            | <b>Total Sources of Funds (A)</b>  | <b>196,600,000</b>                        | <b>831,600,000</b>                      | <b>5,880,865,062</b>         |
| <b>B</b>   | <b>USES OF FUNDS</b>   |   |   |                              |
| <b>B1</b>  | <b>EXPENDITURE BY COMPONENTS</b>   |   |   |                              |
| <b>I</b>   | <b>Capacity Building of NHB and Primary Lenders</b>  | -   | -                                       | -                            |
| <b>II</b>  | <b>Financing Support for Sustainable and Affordable Housing</b>                            |   |   |                              |
| i)         | Secured Sub Financing to Formal Primary Borrowers  | -   | -                                       | 302,325,096                  |
| ii)        | Secured Sub Financing to Informal Primary Borrowers  | -   | -                                       | 3,180,739,966                |
| iii)       | Loan secured alternatively, Sub Financing to Formal Primary Borrowers (including Pilots)   | -   | -                                       | -                            |
| iv)        | Loan secured alternatively, Sub Financing to Informal Primary Borrowers (including Pilots) | 196,600,000                               | 831,600,000                             | 2,397,800,000                |
|            | <b>Sub Total Component II</b>  | <b>196,600,000</b>                        | <b>831,600,000</b>                      | <b>5,880,865,062</b>         |
| <b>III</b> | <b>Project Implementation*</b>   | 474,895                                   | 1,399,895                               | 13,613,515                   |
|            | <b>Total Expenditure by Components (B1=I+II+III)</b>                                       | <b>197,074,895</b>                        | <b>832,999,895</b>                      | <b>5,894,478,577</b>         |
| <b>B2</b>  | <b>Pre Financing/Prospective Disbursements (NHB)</b>                                       |   |   |                              |
|            | <b>Total Uses of Funds (B1 + B2)</b>   | <b>197,074,895</b>                        | <b>832,999,895</b>                      | <b>5,894,478,577</b>         |



*V. Sambamurthy*  
Deputy General Manager - PIU  
Date: September 04, 2018

*[Signature]*  
Deputy General Manager - PIU



Notes

- IFRs will be prepared on cash basis.
- The figures should be taken from the account codes allocated to the Project.
- Details of Qualified PLIs and housing loans to primary borrowers will be provided in the Annex to IFR 2.
- Total Expenditure by Components should match with the details in IFR 2

\* Expenditure incurred under Component III are not being claimed from World Bank. The figures are shown only for information.

**Interim Unaudited Financial Report**  
**IFR2**  
**LOW INCOME HOUSING FINANCE PROJECT**  
**Credit No. 5283-IN**  
**Implementing Agency - National Housing Bank**  
**Project Expenditure by Component/Sub Component during the quarter ended 30.06.2018**

(Amt. in INR)

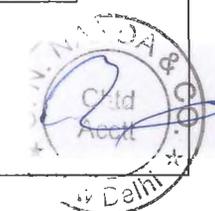
|            | Project Expenditure   | Provision as per PAD | Current Quarter (CQ)<br>Apr 18 - Jun 2018 | Year to Date (YTD)<br>July 17 - June 18 | Total Cumulative to<br>date (CTD) |
|------------|---|----------------------|---|---|-----------------------------------|
| <b>I</b>   | <b>Capacity Building of NHB and Primary Lenders</b>   |                      |   |   |                                   |
| b.         | Consultant's Services   |                      |   |   |                                   |
|            | -- Financial Literacy Module  |                      |   |   |                                   |
|            | -- Market Infrastructure (credit bureau for informal borrowers)                                 |                      |   |   |                                   |
|            | -- Pilot on underwriting unsecured lending with alternate collateral                            |                      |   |   |                                   |
|            | <i>Add as required</i>  |                      |   |   |                                   |
|            | <b>Sub Total Component I</b>  |                      | <b>0</b>                                  | <b>0</b>                                | <b>0</b>                          |
| <b>II</b>  | <b>Financing Support for Sustainable and Affordable Housing</b>                                 |                      |   |   |                                   |
|            | Formal Dwelling- Formal Sector Income Quadrant (I)  | 5% of the credit     | 0   | 0                                       | 302,325,096                       |
|            | Formal Dwelling- Informal Sector Income Quadrant (II)   | 50% of the credit    | 0   | 0                                       | 3,180,739,966                     |
|            | Loan secured alternatively, Sub Financing to Formal Primary Borrowers (III)                     | 20% of the credit    | 0   | 0                                       | 0                                 |
|            | Loan secured alternatively, Sub Financing to Informal Primary Borrowers (including Pilots) (IV) | 25% of the credit    | 196,600,000                               | 831,600,000                             | 2,397,800,000                     |
|            | <b>Sub Total Component II</b>   | <b>as above</b>      | <b>196,600,000</b>                        | <b>831,600,000</b>                      | <b>5,880,865,062</b>              |
| <b>III</b> | <b>Project Implementation*</b>  |                      |   |   |                                   |
| a.         | Goods (Office Equipment, Computer, Software etc)  |                      |   |   |                                   |
| b.         | Consultant's Services   |                      | 474,895                                   | 1,374,895                               | 13,507,322                        |
|            | -- Procurement Expert   |                      | 0   | 0                                       | 1,750,000                         |
|            | -- Environment Expert   |                      | 474,895                                   | 1,374,895                               | 4,595,619                         |
|            | -- Social Expert  |                      | 0   | 0                                       | 3,765,703                         |
|            | -- LIHF Expert  |                      | 0   | 0                                       | 3,396,000                         |
|            | -- Impact Evaluation  |                      |   |   |                                   |
|            | <i>Add as required</i>  |                      |   |   |                                   |
| c.         | Incremental Operating Costs   |                      | 0   | 25,000                                  | 106,193                           |
|            | -- Salaries of Contractual Staff  |                      |   |   |                                   |
|            | -- Salaries of NHB Staff assigned to PIU  |                      |   |   |                                   |
|            | -- Office Expenses, Maintenance, Rent, etc  |                      |   |   |                                   |
|            | -- O & M and hiring of vehicles, equipment and goods  |                      |   |   |                                   |
|            | -- Audit Fee  |                      |   | 25,000                                  | 100,000                           |
|            | -- Travel   |                      |   |   |                                   |
|            | -- Others   |                      | 0   | 0                                       | 6,193                             |
|            | <b>Sub Total Component III</b>  |                      | <b>474,895</b>                            | <b>1,399,895</b>                        | <b>13,613,515</b>                 |
|            | <b>Total Expenditure (I+II+III)</b>   | <b>as above</b>      | <b>197,074,895</b>                        | <b>832,999,895</b>                      | <b>5,894,478,577</b>              |

\* Expenditure incurred under Component III are not being claimed from World Bank. The figures are shown only for information.



*V. Janbaramthy*  
 Deputy General Manager - PIU  
 Date: September 04, 2018

*[Signature]*  
 Deputy General Manager - PIU



Notes The sub totals and total should match with the corresponding items in IFR 1

## Interim Unaudited Financial Report

IFR 3

## LOW INCOME HOUSING FINANCE PROJECT

Credit No. 5283-IN

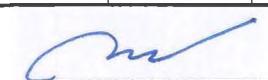
Implementing Agency - National Housing Bank

Forecash of Cash requirements for next 2 quarters

| Expenditure  | ELIGIBLE % | IN INDIAN RUPEES (million)                |                                       |  |   | IN USD EQUIVALENT                              |   |
|--|------------|---|---------------------------------------|--|---|--|---|
|  |            | Cash requirement for next 1st quarter (*) | Cash requirement for next 2nd quarter | Total cash requirement for the next 2 quarters | IDA Eligible cash requirement for the next two quarters | Total cash requirement for the next 2 quarters | IDA Eligible cash requirement for the next 2 quarters |
| 1  | 2          |   |                                       |  |   |  |   |
| <b>I Capacity Building of NHB and Primary Lenders</b>                |            |   |                                       |  |   |  |   |
| b. Consultant's Services   |            |   |                                       |  |   |  |   |
| -- Financial Literacy Module   |            |   |                                       |  |   |  |   |
| -- Market Infrastructure (credit bureau for informal borrowers)      |            |   |                                       |  |   |  |   |
| -- Pilot on underwriting unsecured lending with alternate collateral |            |   |                                       |  |   |  |   |
| <i>Add as required</i>   |            |   |                                       |  |   |  |   |
| <i>Sub Total Component I</i>   |            |   |                                       |  |   |  |   |
| <b>II Financing Support for Sustainable and Affordable Housing</b>   | 100%       | 391.00                                    | -                                     | 391.00   |   |  |   |
| <i>Sub Total Component II</i>  |            |   |                                       |  |   |  |   |
| <b>III Project Implementation</b>                                    |            |   |                                       |  |   |  |   |
| a. Goods (Office Equipment, Computer, Software etc)                  |            |   |                                       |  |   |  |   |
| b. Consultant's Services   |            |   |                                       |  |   |  |   |
| -- Monitoring & Evaluation   |            |   |                                       |  |   |  |   |
| -- Impact Evaluation   |            |   |                                       |  |   |  |   |
| <i>Add as required</i>   |            |   |                                       |  |   |  |   |
| c. Incremental Operating Costs                                       |            |   |                                       |  |   |  |   |
| -- Salaries of Contractual Staff                                     |            |   |                                       |  |   |  |   |
| -- Salaries of NHB Staff assigned to PIU                             |            |   |                                       |  |   |  |   |
| -- Office Expenses, Maintenance, Rent, etc                           |            |   |                                       |  |   |  |   |
| -- O & M and hiring of vehicles, equipment and goods                 |            |   |                                       |  |   |  |   |
| -- Travel  |            |   |                                       |  |   |  |   |
| -- Others  |            |   |                                       |  |   |  |   |
| <i>Sub Total Component III</i>                                       |            |   |                                       |  |   |  |   |
| <b>Total projected Expenditure (I+II+III)</b>                        |            | 391.00                                    | 0.00                                  | 391.00   |   |  |   |

V. Sambasivthy  
Deputy General Manager - PIU  
Date: September 04, 2018



  
Deputy General Manager - PIU



Interim Unaudited Financial Report

Annex to IFR 2

**LOW INCOME HOUSING FINANCE PROJECT**  
Credit No. 5283-IN  
Implementing Agency - National Housing Bank  
Report for the quarter ended 30.06.2018

Part A: Financial Support for Sustainable and Affordable Housing to Qualified Primary Lending Institutions (PLI) - segregated by each line item mentioned under B1.II of IUFRI

| S.No               | Name of the Qualified PLI                 | Nature of PLI (HFC/bank/MFI/others) | Date of Disbursement (dd/mm/yyyy) | Amount Sanctioned (INR) | Disbursement to PLIs by NHB | Rate of Interest | Tenure (Yrs) | Lending by Qualified PLIs to Primary Borrowers (cumulative out of column 10) |                                      |                          |                          |                            |                          |                            |                                       |
|--------------------|---|-------------------------------------|-----------------------------------|-------------------------|-----------------------------|------------------|--------------|--|--------------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|----------------------------|---------------------------------------|
|                    |   |                                     |                                   |                         |                             |                  |              | Disbursements to Qualified PLIs by NHB                                       |                                      |                          | Secured Sub-Financings   |                            | Unsecured Sub-Financings |                            |                                       |
|                    |   |                                     |                                   |                         |                             |                  |              | Current Quarter (CQ) Apr 18 - Jun 2018                                       | Year to Date (YTD) July 17 - June 18 | Cumulative to Date (CTD) | Formal Primary Borrowers | Informal Primary Borrowers | Formal Primary Borrowers | Informal Primary Borrowers | Pilots for Informal Primary Borrowers |
| 1                  | 2   | 3                                   | 4                                 | 5                       | 6                           | 7                | 8            | 9  | 10                                   | 11                       | 12                       | 13                         | 14                       | 15                         |                                       |
| 1                  | Avaas Financers Ltd.*                     | HFC                                 | 29-Jun-18                         | 113,244,500             | 100,000,000                 | 7.35             | 15           | 100,000,000  | 457,200,000                          | 2,167,953,675            |                          | 694,553,675                |                          | 1,473,400,000              |                                       |
| 2                  | India Shelter Finance Corporation Limited | HFC                                 | 29-Jun-18                         | 110,819,000             | 96,600,000                  | 7.35             | 10           | 96,600,000   | 96,600,000                           | 772,258,580              |                          | 125,658,580                |                          | 646,600,000                |                                       |
| <b>Grand Total</b> |   |                                     |                                   | 224,063,500             | 196,600,000                 |                  |              | 196,600,000  | 553,800,000                          | 2,940,212,255            | -                        | 820,212,255                | -                        | 2,120,000,000              | -                                     |

\* Formerly known as AU Housing Finance Limited

Notes:

- Total of columns 11 to 14 should match with amount in column 10.
- Please provide separate PLI-wise detailed list of the primary borrowers (name, amount of loan, location etc.) under columns 10-13.

Part B: Pre-Finance/Prospective Disbursement

| S.No               | Name of the Qualified PLI | Nature of PLI (HFC/bank/MFI/others) | Date of Sanction | Amount Sanctioned | O/s at the beginning of the quarter | Amount Disbursed during the quarter | Amount adjusted during the quarter | O/s at the close of the quarter | In INR                          |  |
|--------------------|---------------------------|-------------------------------------|------------------|-------------------|-------------------------------------|-------------------------------------|------------------------------------|---------------------------------|---------------------------------|--|
|                    |                           |                                     |                  |                   |                                     |                                     |                                    |                                 | Amount included in Part A above |  |
| 1                  | 2                         | 3                                   | 4                | 5                 | 6                                   | 7                                   | 8                                  | 9                               | 10 (out of 8)                   |  |
|                    |                           |                                     |                  |                   |                                     |                                     |                                    |                                 |                                 |  |
|                    |                           |                                     |                  |                   |                                     |                                     |                                    |                                 |                                 |  |
|                    |                           |                                     |                  |                   |                                     |                                     |                                    |                                 |                                 |  |
| <b>Grand Total</b> |                           |                                     |                  |                   |                                     |                                     |                                    |                                 |                                 |  |

It is certified that the amount shown under Component II have been made only to PLIs that have complied with the minimum eligibility criteria as given in the Project Operations Manual and is the

*V. Sambamurthy*  
Deputy General Manager - PIU  
Date: September 04, 2018

*[Signature]*  
Deputy General Manager - PIU



Interim Unaudited Financial Report

IFR 3

**LOW INCOME HOUSING FINANCE PROJECT**

Credit No. 5283-IN

Implementing Agency - National Housing Bank

Schedule of Drawl from IDA for the quarter ended 30.06.2018

In INR

| 1 | Category  | Actual Eligible Expenditure               |   |                           | Reimbursement %age | Reimbursable from World Bank for Current Quarter |
|---|---|---|---|---------------------------|--------------------|--|
|   |   | Current Quarter (CQ)<br>Apr 18 - Jun 2018 | Year to Date (YTD)<br>July 17 - June 18 | Cummulative to Date (CTD) |                    |  |
| 2 | 3   | 4   | 5                                       | 6                         | 7=3*6              |  |
| 1 | Goods, consultants' services, and Operating Costs under Part A of the Project |   |   |                           |                    |  |
| 2 | Sub-Financings including pilot subfinancing under Part B of the Project       | 196,600,000                               | 831,600,000                             | 5,880,865,062             | 100%               | 196,600,000                                      |
| 3 | Goods, consultants' services, and Operating Costs under Part C of the Project | 0   | 0                                       | 0                         |                    | 0  |
|   | <b>Grand Total (1+2+3)</b>  | <b>196,600,000</b>                        | <b>831,600,000</b>                      | <b>5,880,865,062</b>      |                    | <b>196,600,000</b>                               |

*V. Sambanthy*

Deputy General Manager - PIU

Date: September 04, 2018

*[Signature]*

Deputy General Manager - PIU



## LOW INCOME HOUSING FINANCE PROJECT

| Sr.No. | Contract no./ Description of Work                | WBR No. & Date of WB NOC  | Supplier / Consultant                              | Date of Contract             | Contract Amount (INR) | Commence-ment Date      | Date of Completion                 | In INR   |  |  |
|--------|--|---|--|------------------------------|-----------------------|-------------------------|------------------------------------|--|--|--|
|        |  |   |  |                              |                       |                         |                                    | Amount paid - Current Quarter (CQ) Apr 18 - Jun 18 | Amount paid - Year to Date (YTD) July 17 - June 18 | Amount paid - Cumulative to Date (CTD) |
| 1      | 2  | 3   | 4  | 5                            | 6                     | 7                       | 8                                  | 9  | 10   | 11                                     |
| 1      | Capacity Building (Component I)                  |   |  |                              |                       |                         |                                    |  |  |  |
| i)     | Contract 1 : Procurement Expert **               | Contract No. 01/2014 (NOC : 17.06.2014)                               | Individual Consultant : Mr. Ketan Mandani          | 26-Jun-14                    | 1,500,000             | 26-Jun-14               | 25-Jun-17                          | 0  | 0  | 1,750,000                              |
| ii)    | Contract 2 : Environment Expert                  | Contract No. 02/2014 (NOC Not required as it comes under Post Review) | Individual Consultant : Mr.Rohit Singh             | 26-Nov-2014 and Nov 27, 2016 | 2,400,000             | 12-Jan-14 and 27-Nov-16 | 30-Nov-16, 30-June-17 & 30-June-18 | 474,895  | 1,374,895  | 4,595,619                              |
| iii)   | Contract 3 : Social Expert*                      | Contract No. 03/2014 (NOC Not required as it comes under Post Review) | Individual Consultant : Ms.Poonam Mehta            | 08-Jan-15                    | 3,399,984             | 08-Jan-15               | 07-Jan-17 and 30-June-17           | 0  | 0  | 3,765,703                              |
| iv)    | Contract 4 : Low Income Housing Finance Expert # | Contract No. 04/2014 (NOC Not required as it comes under Post Review) | Individual Consultant : Mr. Venkateshwarlu Prerepa | 05-Jan-15                    | 7,200,000             | 05-Jan-15               | 04-Jan-19                          | 0  | 0  | 3,396,000                              |
| 2      | Project Implementing Unit (Component III)        |   |  |                              |                       |                         |                                    |  |  |  |
| i)     | Contract 1                                       |   |  |                              |                       |                         |                                    |  |  |  |
| ii)    | Contract 2                                       |   |  |                              |                       |                         |                                    |  |  |  |
|        | Grand Total (1+2)                                |   |  |                              |                       |                         |                                    | 474,895  | 1,374,895  | 13,507,322                             |

\*\* PE contracted for 150 mandays over a period of 3 years. The Contract got terminated during Apr 15, since PE has completed 165 mandays. Subsequently, the services of PE availed during Nov 2015 for framing RFP.

\* SE resigned from the services w.e.f. 02.03.2017

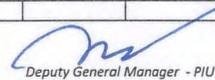
# LIHF contract was terminated w.e.f. 04.03.2016

## Technical Review for Component II - Financial Support for Sustainable and Affordable Housing

| Sr.No. | Name of PLI                    | Financial Support to Qualified Primary Lending Institutions |                        |                          |                            |                          |                            | Date of submission to World Bank for Technical Review | Date of No Objection given by World Bank |
|--------|--------------------------------|---|------------------------|--------------------------|----------------------------|--------------------------|----------------------------|---|--|
|        |                                |   | Total Amount Disbursed | Formal Primary Borrowers | Informal Primary Borrowers | Formal Primary Borrowers | Informal Primary Borrowers |   |  |
| 1      | 2                              | 3   | 4                      | 5                        | 6                          | 7                        | 8                          | 9   | 10                                       |
| 1      |                                |   |                        |                          |                            |                          |                            |   |  |
| 2      |                                |   |                        |                          |                            |                          |                            |   |  |
| 3      |                                |   |                        |                          |                            |                          |                            |   |  |
| 4      |                                |   |                        |                          |                            |                          |                            |   |  |
| 5      |                                |   |                        |                          |                            |                          |                            |   |  |
|        | Grand Total Cumulative to Date |   |                        |                          |                            |                          |                            |   |  |

V. Jambanthy  
Deputy General Manager - PIU

Date: September 04, 2018

  
Deputy General Manager - PIU

Notes:

First Proposals equivalent to \$1 mn in each of the category mentioned in col 4 to 8 should be submitted to the World Bank for technical review.

