

20th Annual Report 2013 - 14



HB ESTATE DEVELOPERS LIMITED



Company's Hotel Project- "**VIVANTA BY TAJ - GURGAON, NCR**" located at Plot No. 1, Sector 44, Gurgaon, Haryana

**BOARD OF DIRECTORS****Mr. Lalit Bhasin** *Chairman***Mrs. Asha Mehra****Mr. Anil Goyal****Mr. J. M. L. Suri****Mr. Rajesh Jain****AUDIT COMMITTEE**Mrs. Asha Mehra *Chairperson*
Mr. J. M. L. Suri
Mr. Rajesh Jain**CHIEF FINANCIAL OFFICER (CFO)**

Mr. Praveen Gupta

COMPANY SECRETARY

Mr. Rajesh Singh Chahar

STATUTORY AUDITORS**M/s P. Bholusaria & Co.**Chartered Accountants,
26/11, Shakti Nagar,
Delhi - 110 007**REGISTERED OFFICE**Plot No. 31, Echelon Institutional Area,
Sector-32, Gurgaon - 122 001
Ph : 0124-4675500, Fax : 0124-4370985
E-mail : corporate@hbestate.com
CIN: L99999HR1994PLC034146**WEBSITE**

www.hbestate.com

REGISTRAR & SHARE TRANSFER AGENT**RCMC Share Registry Pvt. Ltd.**B-25/1, First Floor
Okhla Industrial Area, Phase-IIInd, New Delhi-110020
Ph. : 011-26387320, 26387321, 26387323
Fax : 011-26387322
E-mail : shares@rcmcdelhi.com
Website: www.rcmcdelhi.com**CONTENTS**

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NOTICE

(Note: The business of this Meeting may be transacted through electronic voting system)
NOTICE is hereby given that the 20th Annual General Meeting of the Company will be held as follows:

Day : Wednesday
 Date : 29th October, 2014
 Time : 11.00 A. M.
 Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector-14, Gurgaon-122 001, Haryana.
 to transact the following business:

AS ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2014, including the Audited Balance Sheet as at 31st March, 2014, the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Anil Goyal (DIN 00001938), who retires by rotation and being eligible offers himself for re-appointment.
- To re-appoint M/s. P. Bholusaria & Co., Chartered Accountants (Firm registration No. 000468N) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

AS SPECIAL BUSINESS:

- To appoint Mr. Rajesh Jain (DIN 00031590) as an Independent Director** and in this regard 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Rajesh Jain (DIN 00031590), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as non-executive Independent Director of the Company to hold office for five (5) consecutive years with effect from date of passing of this resolution and he shall not be liable to retire by rotation."
- To appoint Mrs. Asha Mehra (DIN 02658967) as an Independent Director** and in this regard 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mrs. Asha Mehra (DIN 02658967), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as non-executive Independent Director of the Company to hold office for five (5) consecutive years with effect from date of passing of this resolution and he shall not be liable to retire by rotation."
- To consider and approve adoption of new set of Articles of Association of the Company** and in this regard to consider if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 14 and any other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."
- To consider and approve passing of fresh resolution for borrowing monies under Section 180(1)(c) of the Companies Act, 2013** and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:
"RESOLVED THAT in supersession to the Ordinary Resolution adopted at the Annual General Meeting held on 28th September, 2010 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors of the Company, for borrowing monies for the purpose of business of the company, from time to time, notwithstanding that the monies to be borrowed together with the monies already borrowed (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up Capital of the Company and its Free

Reserves that is to say, reserves not set apart for any specific purpose, provided however that the aggregate amounts so borrowed and outstanding at any time (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed Rs. 500 Crores only (Rupees Five Hundred Crores only)".

BY ORDER OF THE BOARD
For HB ESTATE DEVELOPERS LTD.

Sd/-
RAJESH SINGH CHAHAR
COMPANY SECRETARY
Place : Gurgaon
Date : 11.09.2014

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME OF THE MEETING.**
 A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON CANNOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
- An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the special business herein is annexed hereto and form part of this notice.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 24th October, 2014 to 29th October, 2014. (Both days inclusive).
- Under Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 10,49,672/- (Rupees Ten Lacs Forty Nine Thousand Six Hundred Seventy Two Only) being the unpaid and unclaimed dividend amount pertaining to Final Dividend, 2006 on 21st October, 2013, to the Investor Education and Protection Fund of the Central Government.
 The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2006-2007, as on the date of the Annual General Meeting (AGM) held on 21st November, 2013, on the website of the IEPF viz. www.iepf.gov.in and under "Investors Center" on the website of the Company viz. www.hbestate.com
- Securities and Exchange Board of India (SEBI) has made mandatory for all Companies to use the bank account details furnished by the shareholders for distributing dividend through Electronic Clearing Service (ECS), wherever ECS and Bank details are available. In the absence of ECS facility being made available for any reason, the Companies are required to print the bank account details on the payment instrument for distribution of dividends to the investors. Accordingly shareholders holding shares in physical form are requested to notify their bank details giving the name of the bank, the branch, the account number to the Company's Registrar and Share Transfer Agent, M/s RCMC Share Registry Pvt. Ltd. In case the holdings are in dematerialised form, the said details should be conveyed to their Depository Participant. Shareholders who wish to avail the ECS facility offered by the Company should in addition to the aforesaid bank details also furnish a photocopy of the cheque leaf to Company's Registrar and Share Transfer Agent in case of holding in physical mode and to the Depository Participant in case of dematerialised holding.
 The bank particulars of the shareholders recorded with the Depository Participant as on the book closure date, the data of which will be received through Depositories will be used by the Company for printing on dividend warrants. This would ensure that the dividend warrants cannot be deposited in any account other than the one specified on the warrants. For safety and in the interest of shareholders, it is important that bank account details are correctly provided to the Depository participants. The bank details (mandate) for shares held in physical form will not be applicable/applied for shares held in dematerialised form and versa.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent namely RCMC Share Registry Pvt. Ltd.
- Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
- Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- Shareholders seeking any information with regard to Accounts are requested to write to the Company at least 7 days before the date of the meeting so as to enable the management to keep the information ready.



10. Members are requested to:

- (a) Notify any change in their address to the Company including PINCODE to the Registrar and Share Transfer Agent of the company namely,

RCMC Share Registry Pvt. Ltd.

B-25/1, First Floor,
Okhla Industrial Area, Phase II,
New Delhi - 110 020.
Phone : 011 - 26387320, 26387321, 26387323
Fax : 011 - 26387322
E-mail: shares@rcmcdelhi.com.

Members whose shareholding is in electronic mode are requested to direct change of address notifications and bank particulars for receiving the dividend, if declared, through electronic credit under ECS, to their respective Depository participants. change of address notifications to their respective Depository Participant.

- (b) Bring their copies of Annual Report with them to the meeting as the same will not be supplied again at the Meeting as a measure of economy.

11. The Company is implementing the "Green Initiative" as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/ documents and annual reports to shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/ CDSL will be deemed to be your registered email address for serving notices/ documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, directors report, auditors report etc. will also be displayed on the website www.hbestate.com of the Company and the other requirements of the aforesaid MCA circular will be duly complied with.

Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the

Registrar and Share Transfer Agent of the Company at the address mentioned in 10(a) above quoting their folio number(s).

Copies of the Annual Report 2014 are being sent by electronic mode only to all the members whose email addresses 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 addresses, physical copies of the Annual Report 2014 including Attendance Slip and Proxy Form are being sent by the permitted mode.

12. Voting through electronic means:

E-voting facility is being provided to all members pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35B of the Listing Agreement. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") for providing e-voting facilities. The e-voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being Friday, 12th September, 2014. **Detailed instructions for availing the e-voting facility indicating the process and manner of e-voting are given separately in the e-voting notice sent along with the Annual Report.**

The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company, www.hbestate.com and on Karvy's website, <https://evoting.karvy.com> within two (2) days of passing of the resolutions and communication of the same to Bombay Stock Exchange Limited (BSE).

13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 A.M to 5.00 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.
14. Details of Directors seeking appointment/ reappointment at the ensuing Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement) are as under:

PROFILE OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT AT THE ENSUING (20th) AGM (Refer Note No. 2, 4, 5 of the Notice for AGM)

Name of the Director	(1) Mr. Anil Goyal	(2) Mr. Rajesh Jain	(3) Mrs. Asha Mehra
Date of Birth	22nd February, 1959	24th February, 1956	8th August, 1940
Date of Appointment	20th September, 1994	29th August, 2007	12th August, 2009
Profile/ Expertise in Specific functional Areas.	Fellow member of Institute of Chartered Accountants of India. Expertise in the field of Finance, Taxation, Investment, Banking, Corporate Restructuring and Strategic Planning	Extensive experience of overseeing construction activities both in India and abroad.	Extensive experience in the field of taxation.
Qualifications	Chartered Accountant	B.Com (Hons)	Post-Graduate
List of directorship in other Public Companies. (As on 31st March, 2014)	1. HB Stockholdings Limited 2. HB Portfolio Ltd 3. HB Securities Ltd 4. HB Leasing & Finance Co.Ltd. 5. HB Prima Capital Ltd. 6. HB Corporate Services Ltd. 7. RRB Securities Ltd. 8. Mount Finance Ltd. 9. Bhasin Investments Ltd. 10. AHL Hotels Ltd. 11. HB Insurance Advisors Ltd..	NIL	NIL
Membership of Committee of the Board in other Public Companies (As on 31st March, 2014)	<u>Audit Committee</u> 1. HB Stockholdings Ltd 2. RRB Securities Ltd <u>Shareholder/Investor Grievance Committee</u> 1. HB Portfolio Ltd. 2. HB Leasing & Finance Co. Limited 3. RRB Securities Ltd. <u>Remuneration Committee</u> 1. CHL Limited	NIL	NIL
Shares held by the Director	NIL	NIL	NIL

BY ORDER OF THE BOARD
For ESTATE DEVELOPERS LIMITED

Sd/-
RAJESH SINGH CHAHAR
(COMPANY SECRETARY)

Place: Gurgaon
Date: 11.09.2014

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:****ITEM NO. 4 TO 5:**

Mr. Rajesh Jain and Mrs. Asha Mehra were appointed as Non-Executive (Independent) Directors of the Company subject to retirement by rotation in the past, in terms of the provisions of erstwhile Companies Act, 1956. Mr. Rajesh Jain is liable to retire by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956.

As per section 149(5) of the Companies Act, 2013 the Company is required to appoint Independent Directors under section 149(4) within a period of one year from 01st April, 2014 i.e. the date of commencement of the said section and Rules made there under. The Board of Directors in their meeting held on May 24th, 2014 after consideration has recommended to reappoint the above said directors as Non-Executive Independent Directors within the meaning of section 149 and 152 [including section 149(10)] of the new Companies Act, 2013 read with Schedule IV attached thereto and Rules made there under, not subject to retirement by rotation, for a term of 5 (five) consecutive years with effect from the date of this Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- each proposing the candidature of Mr. Rajesh Jain and Mrs. Asha Mehra for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. This may be treated as individual notice under section 160(2) of the Companies Act, 2013. The notice received under Section 160(2) is available for inspection during normal business hours on any working day of the Company.

The Company has received from Mr. Rajesh Jain and Mrs. Asha Mehra (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board of Directors, Mr. Rajesh Jain and Mrs. Asha Mehra, fulfill the conditions for appointment as Independent Directors as specified in the Act and the Rules made thereunder and they are independent of the Management. A copy of the draft letter for the appointment of Mr. Rajesh Jain and Mrs. Asha Mehra as Independent Directors setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM. The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

The said independent directors are not related to any of the Directors or Key Managerial personnel (including relatives of directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors and Key Managerial Personnel of the Company (including relatives of directors or Key Managerial Personnel) other than the respective Non-Executive Independent Director himself is concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the resolutions set forth in Item No. 4 to 5 for the approval of the members.

ITEM NO. 6:

The existing Articles of Association (AoA) are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 ('the Act').

With the coming into force of the new Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

The proposed new draft AoA is being uploaded on the Company's website, www.hbestate.com for perusal of the shareholders. The draft AoA would also be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, up to and including the date of the Annual General Meeting.

The Board recommends the Special Resolution at Item No. 6 of the Notice for the approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

ITEM NO. 7:

The members of the Company at their Annual General Meeting held on 28th September, 2010 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 giving consent to the Board of Directors to borrow over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 500 Crores (Rupees Five Hundred Crores Only).

Section 180(1)(c) of the Companies Act, 2013 effective from 12th September, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a Special Resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 7 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 500 Crores (Rupees Five Hundred Crores Only) in excess of the aggregate of the paid up share capital and free reserves of the Company.

The Board recommends the Special Resolution at Item No. 7 of the Notice for the approval of the members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

**BY ORDER OF THE BOARD
For ESTATE DEVELOPERS LIMITED**

**Place: Gurgaon
Date: 11.09.2014**

**Sd/-
RAJESH SINGH CHAHAR
(COMPANY SECRETARY)**



DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 20th Annual Report of the Company, together with the Audited Statements of Accounts for the year ended 31st March 2014.

FINANCIAL RESULTS:

The financial results of the Company during the year under review are summarized hereunder:

PARTICULARS	(Amount in ₹ lakhs)	
	Year Ended 31.03.2014	Year Ended 31.03.2013
Total Turnover	4507.93	1175.95
Gross Profit/ (Loss)	308.74	568.11
Add : Exceptional Items	-	-
Less :		
(a) Depreciation	1146.64	95.20
(b) Finance Cost	3047.99	618.22
(c) Provision for Income Tax	581.86	535.62
Net Profit/(Loss)	(4467.75)	(680.93)
Appropriations :		
General Reserve	0.00	0.00
Proposed Dividend	0.00	62.43
Tax on Dividend	0.00	10.61
Accumulated Profits	(3038.32)	1429.43

DIVIDEND

In view of the losses incurred, your directors regret their inability to recommend dividend for the year under review.

PERFORMANCE REVIEW

The total income for the year under review was ₹ 4507.93 lakhs as against ₹ 1175.95 lakhs in the previous year. The increased turnover was because of full year of operations of the Company's hotel project ("VIVANTA BY TAJ- GURGAON, NCR").

During the financial Year 2013-2014 due to higher expenditure (mainly on account of interest, depreciation and commissioning of the Hotel Project), the Company has incurred loss of ₹ 4467.75 lakhs compared to loss of ₹ 680.93 lakhs during the previous year.

The Industry Trends and outlook are summed up in the Management Discussion and Analysis which forms part of this report.

MAJOR EVENTS OF THE COMPANY

Scheme of Amalgamation

As mentioned in the Directors Report for the year ended 31.03.2013, the Board of Directors of your Company at its meeting held on 29th March, 2013, subject to such approvals, orders and permissions as may be required, approved the Scheme of Amalgamation through Scheme of Arrangement (Scheme) under Sections 391 to 394 of the Companies Act, 1956, wherein Pisces Portfolios Private Limited would be merged with the Company w.e.f 1st April, 2012. The Company received the No-Objection/Observation from Bombay Stock Exchange (BSE) vide its letter dated 22.10.2013 and thereafter the Company filed the Scheme with the Hon'ble High Court of Punjab & Haryana at Chandigarh.

Pursuant to the orders of the Hon'ble High Court, the Meetings of Equity Shareholders and Secured Creditors of the Company to consider and approve the Scheme were held on 12th April, 2014. The Equity Shareholders and Secured Creditors along with the Postal Ballot (including e-voting) of Equity Shareholders approved the Scheme with overwhelming majority. The Company is in process of receiving the final approval of the Hon'ble High Court.

The Scheme along with the required information/documents is available on Company's website www.hbestate.com and also on the official website of BSE.

FIXED DEPOSITS

Your Company has not accepted any deposits from the public during the year.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since your Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, research & development and technology absorption, as prescribed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

During the year under review, foreign exchange earnings were ₹ 1270.89 lakhs. The foreign exchange outgo during the said period was ₹ 4.26 lakhs on account of travelling; ₹ 27.00 lakhs towards payment of Professional and Technical fees and ₹ 56.96 lakhs towards advertisement and other expenses.

INFORMATION PURSUANT TO SECTION 217(2A) OF THE COMPANIES ACT, 1956

The provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not applicable, as there are no

employees who were drawing or in receipt of remuneration of prescribed amount during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates 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 2014, and of the profit / loss of the Company for the period 1st April 2013 to 31st March 2014;
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared 'on a going concern basis'.

CORPORATE GOVERNANCE

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed by the Listing Agreement with the Stock Exchanges have been complied with.

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Company's Auditors confirming compliances of Corporate Governance norms, in terms of Clause 49 of the Listing Agreement, is annexed to the Annual Report.

STATEMENT PURSUANT TO LISTING AGREEMENT

The Company's Equity shares are listed at Bombay Stock Exchange Limited (BSE), Mumbai. The listing fee for the year under review has been paid to BSE.

AUDITORS' REPORT

Observations of the Auditors have been explained, wherever necessary, by appropriate notes to accounts.

AUDITORS

M/s P. Bholusaria & Co., Chartered Accountants, the Statutory Auditors, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

DIRECTORS

As per the relevant provisions of the existing Article of Association of the Company and the terms of appointment, the period of office of Directors viz. Mr. Lalit Bhasin, Mr. Anil Goyal, Mr. Jagmohan Lal Suri, Mr. Rajesh Jain and Mrs. Asha Mehra was liable to determination by retirement of Directors by rotation.

The Companies Act, 2013 provides for appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 (effective April 1, 2014) provides that independent directors shall hold office for a term of up to five consecutive years on the Board of a company. Mr. Rajesh Jain and Mrs Asha Mehra fulfill the criteria of Independent Directors as specified in Section 149(6) of the Companies Act, 2013 and the rules made thereunder. The Company has received requisite Notices in writing from a member proposing their appointment as Independent Directors. The Company has also received declarations from them confirming that they meet with the criteria of independence as prescribed both under section 149(6) of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchange. The Board of Directors recommends appointment of Mr. Rajesh Jain and Mrs. Asha Mehra as Independent Directors of the Company for a term of five years and they shall not be liable to retire by rotation.

The Board of Directors on the recommendation made by the Remuneration Committee in their meeting held on 24th May, 2014 discussed and agreed that the period of office of all the Directors other than independent directors shall be liable to determination by retirement of directors by rotation. Accordingly, the period of office of directors viz. Mr. Lalit Bhasin, Mr. Anil Goyal and Mr. Jagmohan Lal Suri shall be liable to determination by retirement of directors by rotation.

As per the relevant provisions of the existing Article of Association of the Company and the provisions of the erstwhile Companies Act, 1956, Mr. Anil Goyal, Director and Mr. Rajesh Jain, Independent Director of the Company were suppose to retire by rotation at the ensuing Annual General Meeting. However, as per the provisions of Section 149(13) of the Companies Act, 2013 and the provisions of Section 152 in respect of retirement of Directors by rotation shall not be applicable to Independent Directors. Accordingly, Mr. Rajesh Jain, Independent Director shall not retire by rotation at the ensuing Annual General Meeting. Mr. Anil Goyal shall retire at the ensuing Annual General Meeting and who being eligible, offers himself for re-appointment. The Board of Directors recommend his re-appointment.

ACKNOWLEDGEMENTS

Your Directors wish to thank and acknowledge the co-operation, assistance and support extended by the Company's associates, Bankers. Your Directors also wish to thank all the employees at all levels of the organization for the contribution and the trust and confidence reposed by the shareholders in the management of the company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**Place : Gurgaon
Date : 24.05.2014**

**Sd/-
LALIT BHASIN
Chairman**



MANAGEMENT DISCUSSION AND ANALYSIS

1. Operating Results

The total income earned by the company during the year under review (Sales and Rental Income) was ₹ 4507.93 lakhs (₹ 1175.95 lakhs in the previous year). During the year under review, the total expenses amounted to ₹ 8393.82 lakhs (₹ 1321.26 lakhs in the previous year).

2. Industry Trends and Business Analysis

Global economic growth remained low during financial year 2013-14, averaging only 2.9%, which is the slowest it has been since 2009. The advanced economies have recently seen improved growth while emerging market economies have slowed. The International Monetary Fund (IMF) has raised the global economic growth outlook for 2014 to 3.6% and this is expected to accelerate to 3.9% in 2015. Growth in the advanced economies is seen increasing to about 2.3% during FY2014-15, a 1% improvement over 2013-14. Key drivers for this improvement are a reduction in fiscal tightening and supportive monetary conditions. In the emerging markets and developing economies growth is projected to gradually pick up from 4.7% in 2013 to about 5% in 2014 and further to 5.3% in 2015.

The commercial real estate sector stayed relatively weak. Reduction in new office developments, decline in leasing activity, lack of appreciation in capital values, compression in yields and lease rentals across major Indian cities were a few factors that impacted overall performance.

In the last few years, the Indian Hotel Industry has been facing weak demand and an excess supply of rooms caused by optimism about the Indian growth story prior to 2008. This has led to new hotel openings by Indian and International hospitality brands. However, due to the economic slowdown, supply outpaced demand, suppressing Average Room Rates (ARR) and reducing occupancy.

3. Opportunities and Threats

In order to realize the long-term growth potential of the sector, there is a growing need to introduce reforms. Year 2013 has witnessed various measures initiated by the Indian Government to revive growth in the real estate sector, which if executed correctly, will encourage transparency, corporate governance and investment and improve the industry's long-term prospects.

The Real Estate Bill was introduced in the Rajya Sabha on August 14, 2013, post approval from the Union Cabinet in June 2013. The Bill aims to bring in a high level of transparency in real estate transactions in India and implementation of projects. State Governments, along with the Ministry of Consumer Affairs, the Competition Commission of India, the Tariff Commission among others have backed the Bill. Currently up to 100% FDI is allowed in the real estate sector through the automatic route. With an increased need of meeting the growing housing demand in India, the Ministry of Housing and Urban Poverty Alleviation made proposals in August 2013 to ease FDI norms in real estate projects.

The prospects of India's real estate sector are closely linked with the state of the economy. The overall economy has been weakened in the recent years with GDP growth, fiscal deficit, current account deficit and inflation being at unfavorable levels. This has impacted consumer and business sentiment adversely affecting demand across residential, commercial and retail segment. Sluggish domestic GDP growth along with weak global markets can significantly affect the sector. Being the largest employment generator in India other than agriculture the sector faces substantial manpower shortages. Labor costs have considerably increased and the market is facing acute shortage of skilled labor. This is partly due to locally generated employment opportunities through government welfare schemes. The industry has also witnessed substantial increases in input costs such as sand, cement and steel.

With a newly elected government at the centre and focus on infrastructure development, the travel and tourism industry is expected to receive a major boost. The tourism sector in India faces several issues that need to be addressed for the sector to realize its true potential.

Despite this, with the increase in the supply of hotel rooms and falling Average Room Rates (ARR), margins will continue to be under pressure. Escalating real estate prices, increasing cost of energy, inadequate infrastructure development and lack of trained manpower are some of the challenges that will need to be addressed urgently. With a newly elected government at the centre and focus on infrastructure development, the travel and tourism industry is expected to receive a major boost.

4. Future Prospects and Outlook

As such the outlook for the real estate industry in the long term remains positive though in the short term there may be stagnation/slow down in growth. The change in economic conditions with rapid urbanization and the rise in income may keep up the demand for quality real estate space; however, the higher inflation coupled with hardening of interest rate may prove to be a major hindrance.

According to WTTC, the Travel and Tourism Industry globally is expected to grow by 4.3% in 2014. This continues to be higher than the growth rates of other industries. With the rapid growth in domestic tourism and India becoming a preferred travel destination for international tourists and the proposed new visa policy, the outlook for the travel and tourism industry will be positive in 2014.

The tourism sector in India faces several issues that needs to be addressed for the sector to realize its true potential. Visa on arrival from key markets in Europe and America, safety and security of tourists, specially women, infrastructure development, identification of new tourist destinations and regulatory and policy changes need attention from all stakeholders.

5. Risks and concerns

The real estate business 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 many other resultant factors such as changes in government regulations, availability of real estate financing, uncertainty on monetary and fiscal policy actions, approval processes, environmental laws, actions of government land authorities and legal proceedings.

The undue increase in cost of raw materials such as, cement, steels etc., and increase in the fuel prices and fluctuations in the market conditions are inherent to this industry. The rising costs and increase in inflation rate in the recent past, have posed concerns on the fate of this industry.

The hospitality industry is prone to impacts due to fluctuations in the economy caused by changes in global and domestic economies, changes in local market conditions, excess hotel room supply, reduced international or local demand for hotel rooms and associated services, competition in the industry, government policies and regulations, fluctuations in interest rates and foreign exchange rates and other social factors. Since demand for hotels is affected by world economic growth, a global recession could also lead to a downturn in the hotel industry. In addition to economic risks, your Company faces risks from the socio-political environment, internationally as well as within the country and is affected by events like political instability, conflict between nations, threat of terrorist activities, occurrence of infectious diseases, extreme weather conditions and natural calamities, etc. which may affect the level of travel and business activity.

Your Company aims to understand, measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks.

The company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.

6. Internal control system and their adequacy

The Company has adequate internal controls commensurate with its size to ensure protection of assets against loss from unauthorised use and all the transactions are authorised, recorded and reported correctly. The internal control is also supplemented by internal audit conducted by an external and independent firm of Chartered Accountants on an ongoing basis.

The Internal Audit Reports along with management comments thereon are reviewed by the Audit Committee of the Board. Besides, the Audit Committee reviews the internal controls at periodic intervals in close coordination with the Internal Auditors.

7. Financial performance

a) Share Capital: The Company's issued and subscribed share capital consists of Equity and Redeemable Preference Share capital. The paid-up share capital of the company as at 31st March 2014 stood at ₹ 4231.60 lakhs which includes ₹ 3000.00 lakhs on account of ₹ 30,00,000 Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each.

b) Reserves and Surplus: During the year under review, the reserves and surplus stood at ₹ 5141.09 lakhs as against ₹ 9608.84 lakhs during the previous year.

c) Non-current assets & Non-current Liabilities: During the year under review, the non-current assets and non-current liabilities stood at ₹ 45653.46 lakhs and 36541.24 lakhs respectively against ₹ 45594.01 lakhs and ₹ 29300.54 lakhs respectively in the last year.

d) Current Assets & Current Liabilities: During the year under review, the current assets and current liabilities stood at ₹ 3197.97 lakhs and ₹ 2937.50 lakhs respectively against ₹ 2964.18 lakhs and ₹ 5417.22 lakhs respectively in the last year.

9. Human Resources

The Company considers its employees to be the most valuable asset and is committed to providing a conducive work environment to enable each individual employee to fully realize his or her potential.

The company has adequate human resources to maintain its various activities as of now. The company reviews its manpower requirement from time to time vis-à-vis current volume of activities and inducts suitable personnel as per requirement.

The company follows a sound man management practices as it recognizes that employees are the foremost assets and partners in its endeavors to achieve excellence in its operations and be a commercially successful organisation.

10. Cautionary Statement

Statements in this management discussion and analysis, describing the Company's objective, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downturn in the industry, significant changes in political and economic environment, tax laws, litigation, interests cost. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time on behalf of the company.



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance refers to a set of policies, principles, laws, rules, regulations and procedures that enable the company to attract best financial & human resources and to perform efficiently to maximise the long term value for the shareholders. Your company is committed to uphold good governance values and has been practicing the same over the years.

2. BOARD OF DIRECTORS

The Board of Directors provides strategic direction and thrust to the operations of the Company.

Composition of Board :

The Board of Directors of your company presently comprises of five (5) directors, all being non-executive out of which three are independent directors. All Non-executive

directors are proficient in their respective fields and bring with them decades of rich and varied experience in Finance, Income tax Laws, Money market operations, administration and management skills. Mr. Lalit Bhasin is the Non-executive Chairman of the Company and the Promoter. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

Board Meetings:

Six (6) Meetings of the Board of Directors of the Company were held during the year under review, i.e. on - 25th April 2013, 30th May 2013, 09th August 2013, 30th September 2013, 12th November, 2013, and 11th February, 2014.

Composition of the Board of Directors, particulars of director's other directorships and membership in committees of other public limited companies and their attendance in the Board Meetings and in AGM held during the year under review are given hereunder:

Name of the Director & Category#	Directorships in other public companies#		Committee memberships in other public companies#		No. of Board Meetings during the Year		Whether attended last AGM	Shares held in the company & % to the paid-up share capital
	Director	Chairman	Member	Chairman	Held	Attended		
Mr. Lalit Bhasin Promoter & Non-executive	14	4	6	Nil	6	6	Yes	7414473 (61.57%)
Mrs. Asha Mehra Independent & Non-executive	Nil	Nil	Nil	Nil	6	5	Yes	Nil
Mr. Anil Goyal Independent & Non-executive	11	Nil	5	1	6	6	Yes	Nil
Mr. J.M.L. Suri Independent & Non-executive	13	Nil	4	1	6	5	Yes	500*
Mr. Rajesh Jain Independent & Non-executive	Nil	Nil	Nil	Nil	6	5	Yes	Nil

as on 31st March 2014

* Joint Holding

In terms of the provisions of the Articles of Association of the company, one-third of such of the directors as are liable to retire by rotation shall retire from office at every Annual General Meeting. Accordingly, Mr. Anil Goyal, Non-executive director being longest in office retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

3. BOARD COMMITTEES

The Board of Directors of the company at its meeting held on 20th December 2001 constituted two Board committees namely; Shareholders/Investors Grievance Committee in compliance to Clause 49 of the Listing Agreement and Audit Committee in due compliance with Section 292A of the Companies Act, 1956. The Board has also constituted a Remuneration Committee on 21st April 2004 in due compliance of Schedule XIII of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Board has also constituted a Business Restructuring Committee on 6th February 2013 for the purpose of exploring various options in order to align and re-organize the existing business through merger, demerger, reverse merger etc. as permitted by the provisions of the Companies Act, 1956, Income Tax Act, 1961 and other enactment or Rules/ Regulations available. All of these committees are having their own terms of reference as approved by the Board from time to time. The committee's position as on 31st March, 2014 is given as under:

(A) Audit Committee:

The Company has a duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the Clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956. The Committee comprises Mrs. Asha Mehra (Chairperson), Mr. J.M.L. Suri and Mr. Rajesh Jain. All members are non-executive Independent Directors of the Company and possess sound knowledge of accounts, audit, taxation etc. The Audit Committee has been empowered, inter-alia, to carry out the following functions:

- To lay down, review and revise the accounting policies of the company.
- To review the financial operations and performance of the company.
- To review quarterly, half-yearly and annual financial accounts and other financial reports and statements, before placement thereof before the Board of Directors.
- To consider and constitute sub-committees, wherever necessary for carrying out and/or monitoring the financial operations of the company.
- To appoint whenever deemed expedient, an independent internal auditor to carry out continuous audit of the accounts and systems of the company and also consider and/or review the appointment and removal of auditors of the company.
- To consider and set up adequate internal control systems and review and monitor the same in consultation with the internal auditors and the auditors of the company and ensure compliance of the same.
- To receive, discuss and consider the observations and reports of the internal auditors and auditors of the company time to time.
- To review and investigate on the matter of financial nature, as and when deemed necessary and expedient.
- To give report and/or recommendations to the Board on the matters concerning financial operations of the company.
- To invite and summon any executive of the company and/or appoint experts, wherever necessary and discuss with them the matters relating to finance, audit and internal control system etc.

- To obtain legal and professional advice wherever deemed necessary and expedient.
- To consider and act on any matters as are included under Clause 49 of the Listing Agreement and/or as may be so included from time to time, whether provided here in above or not.
- To deal with any other matters related and/or incidental to the above or as may be assigned, in addition to the aforesaid, by the Board from time to time.

During the year under review, Audit Committee of the Board met five (5) times i.e. on 25th April 2013, 30th May 2013, 09th August 2013, 12th November, 2013, and 11th February, 2014 and the same were attended by all committee members except Mrs. Asha Mehra who could not attend Audit Committee Meeting held on 11th February 2014. Mr. Rajesh Jain could not attend the meeting held on 25th April, 2013 and Mr. J.M.L. Suri could not attend the meeting held on 30th May, 2013.

(B) Shareholders/Investors Grievance Committee:

The Shareholders/Investors Grievance Committee comprises three members, headed by Mr. J.M.L. Suri as Chairman; Mr. Anil Goyal and Mr. Rajesh Jain as its two Members, all being non-executive Independent Directors. The committee has been empowered, inter-alia, to carry out the following functions:

- To consider and approve the transfer, transmission and issue of fresh / duplicate share certificates.
- To review the status of dematerialisation of company's shares and matters incidental thereto.
- To review and monitor the approval to the transfers and transmissions made by the Executive Director, under executive authority delegated to him from time to time.
- To monitor the matters of litigation related to shareholders and take decisions relating thereto.
- To consider, review and monitor the matters related to the shareholders grievances.
- To consider and finalise the Report on Corporate Governance to be annexed with the Annual Report of the company.
- To deal with any other matters related and/or incidental to the shareholders.

Mr. J.M.L. Suri, Director has been empowered to approve transfer of Equity Shares up to 10,000 shares at a time under one folio received and processed in between two Share Transfer Committee meetings.

During the year under review eleven (11) meetings of the committee were held on 25th April 2013, 30th May 2013, 29th July 2013, 10th September 2013, 07th October 2013, 18th October 2013, 12th November 2013, 27th December 2013, 30th January 2014, 13th February 2014 and 28th February 2014.

(C) Remuneration Committee:

The Remuneration Committee of Directors has been constituted to consider, determine, approve and recommend to the Board of Directors the appointment and remuneration payable to Managerial Personnel (Managing/Whole-time Director). The Committee is Chaired by Mrs. Asha Mehra and other member is Mr. Rajesh Jain, both being non-executive Independent Directors.

Remuneration Policy: As per the remuneration policy of the Company, Managing Director / Whole-time Director(s) are to be remunerated by way of salary and perk



as per the industry norms and within the limits specified under the Schedule XIII of the Companies Act, 1956. As there is no Managing Director / Whole Time Director / Executive Director, no remuneration has been paid during the year under review. The Non-Executive Directors are paid sitting fees for attending each meeting of the Board and the Committees constituted by the Board in respect of their meeting held from time to time. The sitting fee for meeting of the Board of Directors and the Board Committee's are fixed by the Board of Directors within the overall monetary ceiling fixed under the Companies Act, 1956 from time to time.

Remuneration paid to Non-executive Directors during the year ended 31st March 2014 is summarised as under:

Director	Relationship with other Directors	Sitting Fees Paid (₹)	Salary & Perks	Commission, if any
Mr. Lalit Bhasin	-	60,000/-	Nil	Nil
Mrs. Asha Mehra	-	72,000/-	Nil	Nil
Mr. Anil Goyal	-	96,500/-	Nil	Nil
Mr. J. M. L. Suri	-	77,000/-	Nil	Nil
Mr. Rajesh Jain	-	95,500/-	Nil	Nil

(D) Business Restructuring Committee:

The Business Restructuring Committee comprises three members, headed by Mrs. Asha Mehra as Chairperson, Mr. Anil Goyal and Mr. Rajesh Jain as its two Members, all being non-executive Independent Directors. The committee has been empowered, inter-alia, to carry out the following functions:

- To analyze all the available options of capital restructuring, merger, demerger etc.
- To analyze available options for restructuring the existing Capital base by inducting more funds.
- To appoint consultants and to obtain opinion of professionals dealing in said fields on various options available for re-organization of the business of group companies and to place the opinion obtained from the said professionals before the Board of Directors of the Company.
- To appoint Advocates & Legal Counsels for the drafting of Scheme of Amalgamation/ Arrangement.
- To appoint valuer for obtaining the valuation report.
- To place the Draft Scheme of Amalgamation/ Arrangement and valuation report before the Board of Directors of the Company.

During the year under review two (2) meetings of the committee were held on 29th October 2013, and 11th February 2014. These Committee meetings were attended by all the committee members except Mrs. Asha Mehra who could not attend Business Restructuring Committee meeting held on 11th February 2014.

4. Code of Conduct

The company has adopted a Code of Conduct applicable to all the Directors and Senior Management personnel of the company and the same has been posted on the company's website and has been amended from time to time as required in consonance to the changing regulations. For the year under review, all directors and senior management personnel associated with the Company have confirmed their adherence to the provisions of said Code of Conduct.

5. Risk Management

Risk assessment and minimization procedures are in existence and are reviewed periodically.

6. General Body Meetings:

- (i) The details of the last three (3) Annual General Meetings ("AGM") / Extra - ordinary General Meeting(s) ("EGM") of the Company are as follows:

Year	Type	Location	Date	Time
2012-13	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	21st November 2013	11.00 A.M.
2013	EGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	20 th March 2013	11.00 A.M.
2011-12	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	12 th September 2012	11.00 A.M.
2010-11	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	7 th September 2011	11.00 A.M.

- (ii) List of Special Resolutions passed in the previous three (3) AGMs/ EGM :

S. No.	Subject Matter	AGM/EGM Reference and Date of passing
1	Increase and re-classification of the Authorized Share Capital of the Company and amendment to the Memorandum of Association	EGM 20 th March 2013
2	Issue of Redeemable Non-cumulative Non-convertible Preference Shares	EGM 20 th March 2013

- (iii) No Special Resolutions were put through postal ballot during the last year.
 (iv) No Special Resolution is proposed to be conducted through postal ballot during the last year.

7. Disclosures:

- There have been no materially significant related party transactions, pecuniary transactions or relationships other than those disclosed in the financial statements for the year ended 31st March 2014 (Refer Note No.29.3 of Notes to Accounts forming part of the Balance Sheet & Profit & Loss Account). Accordingly the same has not been reproduced here.
- No penalty has been imposed or any strictures have been passed by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital markets during the last three years.
- Whistle Blower Policy being a non mandatory requirement has not been adopted by the company.
- All the mandatory requirements under Clause 49 (relating to Corporate Governance norms) of the Listing Agreement are being adhered to/ complied.
- The non mandatory requirement relating to Remuneration Committee has been adopted by the company.

8. Means of Communication:

- Quarterly Results: Dissemination through Stock Exchange, company's website and through publication in newspaper as required under Listing Agreement.
- Newspapers wherein results normally published - Business Standard (Both in English & in Hindi).
- Website where displayed - www.hbestate.com
- The Website also displays official news releases and important communications made to Stock Exchanges. As and when any presentations are made to institutional investors the same would be simultaneously uploaded on the company's website.

9. General Shareholder Information:

I. Ensuing Annual General Meeting date, time and venue:

Venue	Day & Date	Time
GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001 (Haryana).	Wednesday, 29 th October, 2014	11.00 A.M.

- II. **Financial Year** : 31st March 2014
 III. **Date of Book Closure** : 24th October, 2014 to 29th October, 2014 (both days inclusive).

IV. Listing on Stock Exchanges

The Company's Equity Shares are listed at Bombay Stock Exchange Ltd., Mumbai.

VI. Stock Code

The Company's Scrip Code at BSE is 532334

VII. Dematerialisation of Shares and Liquidity

The trading in the Equity Shares of the Company has come under compulsory dematerialisation w.e.f. 27th November 2000 in terms of the SEBI-Notification No. SMDRP/ POLICY/CIR - 23 / 2000 dated 29th May 2000.

The company has joined the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN No. allotted to Equity Shares of the Company is INE640B01013.

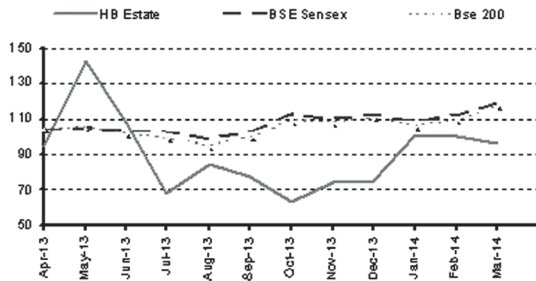
As at 31st March 2014, 1,00,05,593 Equity Shares of the company are held in dematerialised form constituting 83.08% of the Company's Paid up Equity Share Capital of ₹ 12,04,22,920/- comprising of ₹ 1,20,42,292 Equity shares of 10/- each.

- VIII. **Market Price Data:** The monthly High, Low and Close price during each month in the last financial year at BSE along with volume of shares traded during the months are as under:

Month	High	Low	Close	Volume
April 2013	15.43	12.00	13.23	2,294
May 2013	23.00	12.57	19.95	4,112
June 2013	22.55	15.10	15.10	4,090
July 2013	15.05	8.55	9.45	31,211
August 2013	11.73	9.14	11.73	7,595
September 2013	12.25	10.80	10.80	1,129
October 2013	10.78	8.00	8.80	6,910
November 2013	10.44	8.06	10.44	5,379
December 2013	11.30	9.51	10.50	28,010
January 2014	15.35	10.25	14.12	27,468
February 2014	15.50	12.84	14.00	38,676
March 2014	15.50	11.61	13.47	22,868



IX. Performance in comparison to broad based indices



X. Stock Performance-Absolute returns vis-à-vis broad based indices

	1 year
HB Estate	1.81%
BSE Sensex	14.78%
BSE 200	12.24%

XI. Distribution of Shareholding and Shareholding Pattern as at 31st March 2014 are as under:

Distribution of Shareholding

No of Shares	Shareholders		Shareholding	
	Nos.	% to total	Shares	% to total
1-5000	72171	99.56	3029581	25.16
5001-10000	177	0.24	124258	1.03
10001-20000	58	0.08	82970	0.69
20001-30000	22	0.03	53525	0.44
30001-40000	15	0.02	51687	0.43
40001-50000	11	0.02	50641	0.42
50001-100000	18	0.02	149701	1.24
100001 and above	20	0.03	8499929	70.58
TOTAL	72492	100.00	12042292	100.00

Shareholding Pattern

Category	No of Shares held	% of Shareholding
A. Promoters Holding		
- Individuals	77,54,473	64.39
- Bodies Corporate	1,84,160	1.53
B. Public Shareholding (Institutions)		
- Mutual Funds and UTI	1,125	0.01
- Banks/Financial Institutions	195	0.00
- Foreign Institutional Investors	-	-
C. Public Shareholding (Non Institutions)		
- Bodies Corporate	5,77,933	4.80
- NRIs	1,06,630	0.89
- Indian Public	34,13,398	28.34
- Clearing Member/Intermediary	4,378	0.04
TOTAL	1,20,42,292	100.00

XII. The Company has no outstanding GDRs/ADRs/Warrants or any other instruments convertible into Equity.

XIII. Share Transfer System

Share Transfers are registered and returned within a period of 30 days from the date of receipt if the documents are clear in all respects. The authority for transfer of shares has been delegated to a Director for transfer of shares up to a fixed number beyond which the matters are placed before the Shareholders/Investors Grievance Committee, which meets as and when, required. As reported by Company's RTA all valid requests for transfers during the year under review were transferred within the stipulated time limit.

XIV. The status of Investor's Grievance Redressal during 1st April 2013 to 31st March 2014 is as under:

Nature of Grievance	Received	Cleared
Non receipt of Dividend	27	27
Non receipt of Share Certificates after transfer	170	170
Non receipt of Annual Reports	10	10
Dematerialisation of Shares	20	20
Total	227	227

XV. Compliance Officer: Company Secretary of the Company act as the Compliance Officer.

XVI. Registrar and Transfer Agents
RCMC Share Registry Pvt. Ltd.,
 B-25/1, First Floor,
 Okhla Industrial Area Phase II,
 New Delhi 110020
 Phones: 011-26387320, 26387321, 26387323
 Fax: 011-26387322
 E-mail: shares@rcmdelhi.com

XVII. Address for Correspondence
 The Company Secretary
 HB Estate Developers Limited,
 Plot No.-31, Echelon Institutional Area,
 Sector-32, Gurgaon-122001 (Haryana)

DECLARATION

To
 The Members of
HB Estate Developers Ltd.

I, J. M. L. Suri, Director of HB Estate Developers Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, for the year ended 31st March 2014.

For HB ESTATE DEVELOPERS LTD.

Sd/-
J. M. L. Suri
 Director
 (DIN: 00002373)

Place : Gurgaon
 Date : 24.05.2014

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The company has obtained a Certificate from the Auditors of the Company regarding compliance of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchange.

CERTIFICATE

To the Members of
HB Estate Developers Ltd.
 Gurgaon,

We have examined the compliance of conditions of Corporate Governance by HB Estate Developers Ltd. for the year ended on 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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 P. BHOLUSARIA & CO.
CHARTERED ACCOUNTANTS
 FRN 000468N
 Sd/-
AMIT GOEL
 PARTNER
 (Membership No. 092648)

Place : Gurgaon
 Date : 24.05.2014

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF

HB ESTATE DEVELOPERS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **HB ESTATE DEVELOPERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting Principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the companies Act, 2013;
 - e) on the basis of written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place : Gurgaon

Date : 24.05.2014

For P. BHOLUSARIA & CO.
Chartered Accountants
Firm Registration No. 000468N
AMIT GOEL
PARTNER
(Membership No. 092648)



Annexure to Independent Auditors' Report

Re: HB Estate Developers Ltd.

Referred to in Paragraph 1 under the heading of "Report on other legal and Regulatory Requirements" of our report of even date for the year ended 31st March, 2014

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. In our opinion, the Company has not disposed of substantial part of fixed assets during the year that would affect going concern status of the Company.
2. a. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company has maintained proper records of inventories. As explained to us, no material discrepancies have been noticed on physical verification of inventory as compared to the book records.
3. In respect of the loans, secured or unsecured, granted/taken by the company to/from companies, firms or other parties covered in the Register maintained u/s 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (i) (a) During the Year, the company has not granted any loan, secured or unsecured to any company, firm or other party listed in the register maintained u/s 301 of the Companies Act, 1956. However, in respect of one party, the outstanding recoverable as at the beginning of the year was ₹1,08,94,884/- (Including interest receivable) and the maximum amount outstanding at any time during the year and year end balance is ₹ 1,08,94,884/- including interest receivable.
 - (b) In our opinion and according to the information and explanations given to us the rate of interest and terms and conditions of loans given to the company listed in the register maintained under Section 301 is not prima-facie prejudicial to the interest of the Company.
 - (c) The principal amount and interest wherever applicable thereon in respect of such loan is being recovered as stipulated.
 - (ii) (a) The Company had taken loan aggregating to ₹ 9,00,00,000/- in earlier years from one Company covered in the register maintained under section 301 of the Companies Act, 1956 and the maximum amount involved during the year and the year end balances of the loan taken from such company was ₹ 9,00,00,000/-.
 - (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the company.
 - (c) The payment of principal amounts and interest in respect of such loans are regular/ as per stipulations.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and sale of goods & services. During the course of our audit, we have neither come across nor we have been informed of any instance of major weakness in the aforesaid internal control system.
5. a. In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered into in the register required to be maintained under that section.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the market price prevailing at the relevant time.
6. The Company has not accepted any deposits from the public.
7. In our opinion the internal audit system of the Company is commensurate with its size and nature of its business.

8. The nature of the company's business/activities is such that Clause 4(viii) of the Companies (Auditor's Report) Order 2003 regarding maintenance of Cost Records is not applicable to the company.
9. a. According to the records of the Company and according to the information and explanation given to us, undisputed statutory dues including Provident Fund, Income Tax, Wealth Tax, Service Tax, Excise duty, Custom duty, Cess and other material statutory dues as applicable have been generally regularly deposited by the company during the period with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
- b. According to the records of the company, the disputed statutory dues that have not been deposited on account of the matters pending before appropriate authorities as on 31st March, 2014 are as under:-
 - (i) property tax demand of ₹ 67,36,724/- against which the company had filed Writ Petition before Hon'ble Delhi High Court and the company had been granted stay by the Hon'ble Court from the payment of said amount and the hon'ble court has directed the MCD to recompute the tax (refer note no.29.2(a))
 - (ii) Income tax demand of ₹ 8,93,376/- (₹ 5,59,190/- for A.Y.2010-11 and ₹ 3,34,186/- for A.Y.2011-12) for which the company is in Appeal before Commissioner of Income Tax (Appeal);
 - (iii) Ground Rent as explained in note no.29.2(d)
10. The accumulated losses of the company are not more than fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and also incurred cash losses in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) order 2003 is not applicable to the company.
14. The Company is neither dealing nor trading in shares, securities, debentures and other investments therefore clause 4(xiv) of the Companies (Auditor's Report) order 2003 is not applicable to the company. In respect of Investments in shares the company has maintained proper records of transactions and contracts in respect thereto and timely entries have been made therein. All shares and securities have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. On the basis of review of utilisation of funds pertaining to term loans on and overall basis and related information and explanation made available to us, the term loans taken by the company have been utilised for the purpose for which they were taken.
17. Based on the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that during the year, fund raised on short-term basis have not been used for long-term investment by the company.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. No debentures have been issued by the company and hence the question of creating securities or charge in respect thereof does not arise.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

For P. BHOLUSARIA & CO.
Chartered Accountants
Firm Registration No. 000468N

Place : Gurgaon
Date : 24.05.2014

AMIT GOEL
PARTNER
(Membership No. 092648)



BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note	AS AT	AS AT
		31 ST MARCH, 2014 (₹)	31 ST MARCH, 2013 (₹)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	423160358	423160358
Reserves and Surplus	3	512941567	960884387
		936101925	1384044745
Non-Current Liabilities			
Long-Term Borrowings	4	3432402373	2769704659
Deferred Tax Liabilities (Net)	5	111232027	53046443
Other Long Term Liabilities	6	107922018	106096634
Long Term Provisions	7	2567596	1206177
		3654124014	2930053913
Current Liabilities			
Short-Term Borrowings	8	90000000	90000000
Trade Payables	9	40892276	25951352
Other Current Liabilities	10	162465916	418081924
Short Term Provisions	11	392199	7688236
		293750391	541721512
		4883976330	4855820170
ASSETS			
Non-Current Assets			
Fixed Assets			
	12		
Tangible Assets		4395881111	4403356355
Intangible Assets		11865318	12806735
Non-current investments	13	11223730	20974632
Long term loans and advances	14	11816232	13994609
Other Non Current Assets	15	134560383	108269455
		4565346774	4559401786
Current Assets			
Inventories	16	208488340	237030515
Trade receivables	17	21598672	13634714
Cash and Bank Balances	18	54633111	17604036
Short-Term Loans and Advances	19	32635503	26874117
Other Current Assets	20	1273930	1275002
		318629556	296418384
		4883976330	4855820170

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 29

As per our Report attached on even date

For P BHOLUSARIA & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. : 000468N

AMIT GOEL
PARTNER
(Membership No. 092648)

JML SURI
Director

ANIL GOYAL
Director

PLACE : GURGAON
DATED : 24.05.2014

PRAVEEN GUPTA
Chief Financial Officer

RAJESH SINGH CHAHAR
Company Secretary

FOR AND ON BEHALF OF THE BOARD

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED

31ST MARCH, 2014

Particulars	Note	YEAR ENDED	YEAR ENDED
		31 ST MARCH, 2014 (₹)	31 ST MARCH, 2013 (₹)
Revenue from Operations	21	429672070	74640109
Other Income	22	19952738	42954696
Total Revenue		449624808	117594805
Expenses:			
Food and Beverages Consumed	23	45529300	3467511
Changes in inventories of Finished Goods/ Stock-in-Trade	24	17568675	15035513
Employee Benefit Expense	25	131541443	13346184
Finance Costs	26	304799788	61821576
Depreciation and Amortization	11	114663917	9520428
Other Expenses	27	225278921	28934557
Total Expenses		839382044	132125769
Profit/(Loss) for the year before Tax		-389757236	-14530964
Tax expense:			
Current tax		0	0
Deferred Tax (Credit)/Charge		58185584	53511260
Tax adjustments for earlier years		0	50318
Profit/(Loss) for the year		-447942820	-68092542
Earning per equity share:	28		
Equity share of Par value ₹ 10/-each			
Basic		-37.20	-5.67
Diluted		-37.20	-5.67
Number of equity shares used in computing earning per share			
Basic		12042292	12042292
Diluted		12042292	12042292

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 to 29

As per our Report attached on even date

For P BHOLUSARIA & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. : 000468N

AMIT GOEL
PARTNER
(Membership No. 092648)

JML SURI
Director

ANIL GOYAL
Director

PLACE: GURGAON
DATED : 24.05.2014

PRAVEEN GUPTA
Chief Financial Officer

RAJESH SINGH CHAHAR
Company Secretary

FOR AND ON BEHALF OF THE BOARD



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

PARTICULARS	(AMOUNT IN ₹) YEAR ENDED 31 ST MARCH 2014	(AMOUNT IN ₹) YEAR ENDED 31 ST MARCH 2013
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax, extraordinary items	(389757236)	(14530964)
Adjustment for :		
Depreciation/Amortisation	114663917	9520428
Loss on sale of fixed assets	100446	0
Interest/Dividend Received	(10770631)	(19002228)
Interest Paid	226051429	61821576
Profit on sale of long term/non-current investments	(8317285)	(24353186)
Loss from investment in AOP	0	830466
Provision for Employees Benefit	1369455	616781
Operating Profit before Working Capital Changes	(66659905)	14902873
Adjustments for :		
Trade & other receivables/Assets	(8027480)	(16432584)
Inventories	28542175	(45455157)
Trade Payables & other Liabilities	25422349	69180995
Cash generated from operations	(20722861)	22196126
Direct Tax Paid	(5520170)	(20316987)
Net Cash from operating activities (A)	(26243032)	1879139
B) CASH FLOW FROM INVESTING ACTIVITIES		
Capital Work in progress/Purchase of Fixed Assets	(106472776)	(886518749)
Sale of Fixed Assets	90000	0
Purchase of Investments	0	(240200)
Sale/decrease of Investments	18068187	391086452
Change in Earmarked/Pledged Bank Deposits	(26290928)	(7498000)
Change in Loan and advances/other assets	2178377	(22648039)
Change in Loan and advances/other Liabilities	(44170985)	37857153
Interest Received	10582671	18701768
Dividend Received	187960	300460
Net Cash received in Investing activities (B)	(145827493)	(468959155)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	0	300000000
Proceeds from Borrowings (Net)	442631722	218384721
Dividend Paid	(6243064)	(12042292)
Tax on Dividend	(1061009)	(1953561)
Interest paid	(226051429)	(61821576)
Net Cash used in Financing Activities (C)	209276220	442567292
Net increase in Cash and Cash equivalents (A+B+C)	37205696	(24512724)
CASH & CASH EQUIVALENTS		
(OPENING BALANCE)	10035465	34548189
CASH & CASH EQUIVALENTS		
(CLOSING BALANCE)	47241161	10035465
Components of cash and cash equivalents at the end of the year		
Cash in hand	1048874	1340057
Balances with scheduled banks :		
-In current and deposit accounts	46192287	8695408
	47241161	10035465

As per our Report of even date attached here with

For P BHOLUSARIA & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. : 000468N

FOR AND ON BEHALF OF THE BOARD

AMIT GOEL
PARTNER
(Membership No. 092648)

JML SURI
Director

ANIL GOYAL
Director

PLACE : GURGAON
DATED : 24.05.2014

PRAVEEN GUPTA
Chief Financial Officer

RAJESH SINGH CHAHAR
Company Secretary



SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

The Financial statements have been prepared to comply in all material respects with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 under the relevant provisions of the Companies Act, 1956. The Financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company.

1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

1.3 REVENUE RECOGNITION

- 1.3 a) Revenue from Hotel operations viz room rent, food & beverages and other allied services is recognised upon rendering of services.
- 1.3 b) In respect of Real Estate Projects undertaken upto 31.03.2005, the company continues to follow the complete project method of accounting for projects. In respect of Real Estate Projects undertaken w.e.f. 1st April, 2005, the revenue is recognised on Percentage of Completion Method.
- 1.3 c) (i) In the case of projects relating to development and sale of plots and transfer/sale of right, revenue is recognised on execution of transfer documents/possession documents.
(ii) Income from services is accounted for on the basis of the bills raised on customers.
(iii) The rentals from leased premises are considered as revenue income on accrual basis. In case of sale of leased premises, rental income is accounted for up to the date of flat buyer agreement. The advance rent, if any, received from the lessees pertaining to the period after the date of flat buyer agreement is refundable to the buyer.

1.4 FIXED ASSET

Fixed Assets are stated at cost less depreciation/amortisation and impairment losses, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing cost during the period of construction is added to the cost of eligible tangible assets.

1.5 DEPRECIATION/AMORTISATION

- 1.5 a) **Tangible Assets**
Depreciation is provided on Straight Line Method at the rate and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- 1.5 b) **Intangible Assets**
Intangible Assets (Software) are amortised over a period of five years.

1.6 INVENTORIES

- Inventories (real estate) are valued at lower of cost or fair market value/ net realisable value.
- Stock of Food & Beverages and stores and operating supplies are carried at cost or net realizable value whichever is lower.

1.7 INVESTMENTS

Investments (Long-Term/Non Current) are valued at cost less permanent diminution, if any.
Investments (Current) are valued at lower of cost or fair market value.

1.8 EMPLOYEE BENEFITS

Employee Benefits are recognized/accounted for on the basis of revised AS-15 detailed as under:-

- 1.8.1 Short Term Employee benefits are recognized as expense at the undiscounted amount in the Statement of Profit & Loss of the year in which they are incurred.
- 1.8.2 Employee benefits under defined contribution plans comprise of contribution to Provident Fund. Contributions to Provident Fund are deposited with appropriate authorities and charged to Statement of Profit & Loss.
- 1.8.3 Employee Benefits under defined benefit plans comprise of gratuity and leave encashment which are accounted for as at the year end based on actuarial valuation by following the Projected Unit Credit (PUC) method. Liability for gratuity is partly funded with Life Insurance Corporation of India.
- 1.8.4 Termination benefits are recognized as an Expense as and when incurred.
- 1.8.5 The actuarial gains and losses arising during the year are recognized in the Statement of Profit & Loss of the year without resorting to any amortization.

1.9 TAXATION

Tax expenses for the year comprises of current tax and deferred tax charge or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws are recognised, only if there is a virtual certainty of its realisation. Other deferred tax assets are recognised only to the extent there is a reasonable certainty of realisation in future. Deferred tax assets / liabilities are reviewed at each balance sheet date based on developments during the year, further future expectations and available case laws to reassess realisation/ liabilities.

1.10 IMPAIRMENT OF FIXED ASSETS

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's Fixed Assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in prior years.

1.11 CONTINGENCIES

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.12 BORROWING COSTS

Interest and other borrowing costs on specific borrowings attributable to qualifying assets are capitalised. Other borrowing costs are charged to revenue over the tenure of loan.

1.13 FOREIGN CURRENCY TRANSACTION

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions. Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Exchange differences on traction of monetary assets and liabilities and realised gain and losses on foreign currency transactions are recognised in the Statement of Profit and Loss.

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2014

2. SHARE CAPITAL

Particulars	As at 31 st March, 2014 (In ₹)	As at 31 st March, 2013 (In ₹)
AUTHORIZED		
2,00,00,000 (2,00,00,000) Equity Shares of ₹ 10/- each.	200000000	200000000
30,00,000 (30,00,000) Redeemable Preference Shares of ₹ 100/- each	300000000	300000000
	500000000	500000000
ISSUED		
1,28,71,630 (1,28,71,630) Equity Shares of ₹ 10/- each.	128716300	128716300
30,00,000 (30,00,000) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each	300000000	300000000
	428716300	428716300
SUBSCRIBED & PAID UP		
1,20,42,292 (1,20,42,292) Equity Shares of ₹ 10/- each fully paid up.	120422920	120422920
Add: Forfeited shares- 8,29,338 (8,29,338) Equity Shares (Amount originally paid up)	2737438	2737438
30,00,000 (30,00,000) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each fully paid up	300000000	300000000
Total in ₹	423160358	423160358

- Issued Share capital of the Company has two classes of shares referred to as under:
- Equity Shares having par value of ₹ 10/. Each holder of Equity Shares is entitled to One vote per share. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31st March 2014, the amount of per share dividend proposed as distribution to equity shareholders is ₹ Nil (previous Year ₹ 0.50). In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- Preference Shares having par value of ₹ 100/- were allotted on 29th March 2013. The Preference Shares carries 9% coupon rate of dividend (non-cumulative). The holders of Preference Shares shall not be entitled to receive notice of or to attend and vote at General meetings of the Equity Shareholders of the Company. The holders of Preference Shares shall be entitled to attend meetings and vote (one vote per share) only on the Resolutions directly affecting their rights. Also the Preference Shareholders shall not be entitled to any bonus or right issue etc. of Equity Shares or other securities of the Company. The Preference Shares shall carry a preferential right over the Equity Shares of the Company as regards to



payment of dividend and as regards to repayment of the capital in the event of winding up of the Company. The tenure of the Preference Shares will be 10 years from the date of allotment. The Preference Shares will be redeemed at par in two equal installments i.e. 50% at the end of 9th year from the date of allotment and remaining 50 % at the end of 10th year from the date of allotment. For the year ended 31st March 2014, the amount of per share dividend proposed as distribution to Preference Shareholders is ₹ Nil (Previous Year ₹ 0.073 per share @ 9% P.A. on pro rata basis from the date of allotment).

- Reconciliation of the number of Equity Shares outstanding and Amount of Equity Share Capital as on 31st March, 2014 & 31st March, 2013 is as under:

Particulars	As at 31 st March 2014		As at 31 st March 2013	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	12042292	120422920	12042292	120422920
Number of shares at the end	12042292	120422920	12042292	120422920

- Reconciliation of the number of Preference Shares outstanding and Amount of Preference Share Capital as on 31st March 2014 & 31st March, 2013 is as under:

Particulars	As at 31 st March 2014		As at 31 st March 2013	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	3000000	300000000	0	0
Number of shares issued during the year	0	0	3000000	300000000
Number of shares at the end	3000000	300000000	3000000	300000000

- Particulars of Shareholders holding more than 5% shares (Equity Shares):

Number of shareholder	As at 31 st March 2014		As at 31 st March 2013	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Lalit Bhasin	7414473	61.57	7414473	61.57

- Particulars of Shareholders holding more than 5% shares (Preference Shares):

Number of shareholder	As at 31 st March 2014		As at 31 st March 2013	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
HB Stockholdings Ltd.	750000	25.00	0	0.00
Aquarius Portfolios Pvt. Ltd.	750000	25.00	0	0.00
HB Portfolio Ltd.	750000	25.00	0	0.00
Merrygold Investments Ltd.	750000	25.00	0	0.00

3. RESERVES AND SURPLUS

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
	Securities Premium Reserve-opening balance	499742116
Add: Addition during the year	0	0
	499742116	499742116
General Reserve-opening balance	318199083	318199083
Add: Transferred from Surplus	0	0
	318199083	318199083
Surplus -Opening Balance	142943188	218339803
Add: Net Profit after tax transferred from Statement of Profit & Loss	-447942820	-68092542
Less: Proposed Dividend on Preference Shares ₹ Nil per share (previous year ₹ 0.073 on Pro rata Basis 9% P.A.)	0	221918
Less: Proposed Dividend on Equity Shares (Dividend per Equity Share ₹ Nil, Previous Year ₹ 0.50/-)	0	6021146
Less: Tax on Proposed Dividend	0	1061009
Less: Transfer to General Reserve	0	0
Surplus-Closing balance	-304999632	142943188
Total in ₹	512941567	960884387

4. LONG TERM BORROWINGS

Particulars	As at 31 st March 2014 (In ₹)		As at 31 st March 2013 (In ₹)	
	Non-Current	Current	Non-Current	Current
(A) SECURED LOANS:				
Term Loan From Bank-				
- Vehicle Loan from HDFC Bank (1)	486913	374620	0	0
- Vehicle Loan from ICICI Bank (2)	465460	392795	0	0
- Term Loan from Yes Bank- (I) (3)	1000000000	0	0	0
- Term Loan from Yes Bank- (II) (3)	800000000	0	0	0
- Vehicle Loan from HDFC Bank (4)	0	0	0	262355
- Term Loan from HDFC Bank (5)	0	0	26440373	6285338
- Term Loan from IDBI Bank (6)	0	0	642857143	107142857
- Term Loan from Punjab National Bank (7)	0	0	642857143	107142857
Total-A	1800952373	767415	1312154659	220833407

	As at 31 st March 2014 (In ₹)		As at 31 st March 2013 (In ₹)	
	Non-Current	Current	Non-Current	Current
(B) UNSECURED LOANS				
- Intercorporate Loans & Advances (8)	1631450000	0	1457550000	0
Total-B	1631450000	0	1457550000	0
Total (A+B)	3432402373	767415	2769704659	220833407

- Maturity Profile of Secured Term Loan from banks are as under:

	1-2 years	2-3 years	3-4 years	Beyond 4 year
- Vehicle Loan from HDFC Bank	413844	73069	Nil	Nil
- Vehicle Loan from ICICI Bank	432842	32618	Nil	Nil
- Term Loan from Yes Bank (I) (Rs. 100 Crore)	100080000	214320000	214320000	471280000
- Term Loan from Yes Bank (II) (Rs. 80 Crore)	4000000	16000000	28000000	752000000

- Vehicle Loan From HDFC Bank**
Secured by way of hypothecation of Vehicle Financed. The Rate of Interest is 10% P.A. Repayable in 36 monthly installments. Last installment due in May 2016.
- Vehicle Loan From ICICI Bank**
Secured by way of hypothecation of Vehicle Financed. The Rate of Interest is 9.75% P.A. Repayable in 36 monthly installments. Last installment due in April 2016.
- Term Loans From Yes Bank**
Secured by way of exclusive charge on company's hotel land and hotel building situated in sector 44 Gurgaon, exclusive charge on company's land and building situated at Sector 32, Gurgaon, exclusive charge on all present and future moveable fixed assets and current assets of the project (Taj Vivanta Hotel), exclusive charge on rentals, all receivables and other current assets accruing from property located at sector 32, Gurgaon; personal guarantee of director Mr. Lalit Bhasin, Non Disposal Undertaking (NDU) of entire shareholding of the company held by Mr. Lalit Bhasin, negative lien on his entire shareholding in the company for entire tenor of loan facility. The Rate of Interest is 13.50% P.A.
The outstanding Term Loan of Rs. 100 Crore is repayable in 56 monthly installments starting from October 2015. Last installment due in May 2020.
The Term Loan of Rs. 80 Crore is repayable in 44 Quarterly installments starting from February 2016. Last installment due in November 2026.
- Vehicle Loan From HDFC Bank**
The aforesaid vehicle loan has been fully repaid by the company during the year. It was earlier secured by way of hypothecation of Vehicle Financed. The rate of interest was 9 % P.A.
- HDFC Bank -Term Loan**
The aforesaid Term Loan has been fully repaid by the company during the year. It was earlier secured by way of exclusive charge on rent receivable for part of the premises at Plot No.31, Sector-32, Gurgaon, exclusive charge on equivalent mortgage of property at Plot No.31, Sector-32, Gurgaon; shares of Jaiprakash Associates Ltd. equivalent to loan amount and personal guarantee of Mr. Lalit Bhasin, Director. The rate of interest was 12 % P.A.
- IDBI Bank -Term Loan**
The aforesaid Term Loan has been fully repaid by the company during the year. It was earlier secured by way of first pari passu charge by way of mortgage by deposit of title deeds on Company's immovable properties situated at Site No 1, Sec 44, Distt. Gurgaon (Haryana) and on all the current assets including all receivables and investments of Hotel Project of the Company, Movable Fixed Assets of the Hotel Project of the Company, both present and future and personal guarantee of Mr. Lalit Bhasin, Director. The rate of interest was 14.50 % P.A. (Variable)
- Punjab National Bank -Term Loan**
The aforesaid Term Loan has been fully repaid by the company during the year. It was earlier secured by way of first pari passu charge by way of mortgage by deposit of title deeds on Company's immovable properties situated at Site No 1, Sec 44 Distt. Gurgaon (Haryana) and on all the current assets including all receivables and investments of Hotel Project of the Company, Movable Fixed Assets of the Hotel Project of the Company both present and future and personal guarantee of Mr. Lalit Bhasin, Director. The rate of interest was 15.25 % P.A. (Variable)
- Intercorporate Loans and Advances are interest free and are repayable beyond 3 years.

5. DEFERRED TAX LIABILITY

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Liability		
Fixed Assets	112146604	53587000
Less: Assets		
Leave Encashment/Gratuity	914577	540557
Net Deferred Tax Liability	111232027	53046443

6. OTHER LONG TERM LIABILITIES

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Security Deposits*	107922018	106096634
Total in ₹	107922018	106096634

* include due to related parties ₹ 8,63,42,485/- (previous year ₹ 8,63,42,485/-) (refer note no. 29.3)



7. LONG TERM PROVISIONS

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	453558	511826
Gratuity (net)	2114038	694351
Total in ₹	2567596	1206177

8. SHORT TERM BORROWINGS

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Unsecured From Related Party (Refer Note No.29.3)	90000000	90000000
Intercorporate Loan		
Total in ₹	90000000	90000000

9. TRADE PAYABLES

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Due to Micro, Small & Medium Enterprises (Refer Footnote (i) & (ii))	1101752	532206
Others	39790524	25419147
Total in ₹	40892276	25951352

- (i) The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties had been identified on the basis of information available with the Company in this regard.
- (ii) The disclosure relating to Micro, Small & Medium enterprises is as under:

Particulars	Current Year	Previous Year
(i) Principal amount remaining unpaid to any suppliers as at the end of the accounting year.	1101752	532206
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	Nil	Nil

10. OTHER CURRENT LIABILITIES

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Current Maturities of Long term Debts (Refer Note No.4)	767415	220833407
Interest Accrued but not due on borrowings	25233241	23954873
Unclaimed Dividend *	7391951	7568571
Creditors for Capital Expenditure (including Retention & Earnest Money)	1614978	45785963
Expenses Payable	21712614	33538363
Security Deposits	11863882	0
Advances from Customers	85390087	79863937
Statutory Dues	8491748	6536810
Total in ₹	162465916	418081924

*There is no amount outstanding due to be transferred to Investor Education and Protection Fund.

11. SHORT TERM PROVISIONS

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	392199	384163
Others		
Proposed Dividend	0	6243064
Dividend Tax	0	1061009
Total in ₹	392199	7688236

12. FIXED ASSETS

(Amount In ₹)

S. No.	Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
		As at 01.04.2013	Additions during the year	Adjustment during the year	As at 31.03.2014	As at 01.04.2013	For the year	Adjustment during the year	Upto 31.03.2014	As on 31.03.2014	As at 31.03.2013
A.	Tangible Assets										
1	Freehold Land	1553037422			1553037422	0			0	1553037422	1553037422
2	Building	1789908955	35790003		1825698958	3948901	29379238		33328139	1792370819	1785960054
3	Plant & Equipments	503474287	18789617		522263904	1612663	24243972		25856635	496407269	501861624
4	Furniture & Fixtures	538431008	41642898	0	580073906	8884024	52427211		61311235	518762670	529546983
5	Vehicles	2591984	2897601	393119	5096466	778582	465092	235390	1008284	4088182	1813402
6	Office Equipments	1911514	4300	0	1915814	630311	93294		723605	1192208	1281202
7	Computers	32749203	5499948	72594	38176557	2893536	5265284	4804	8154016	30022541	29855667
	Total Tangible Assets (A)	4422104371	104624367	465713	4526263025	18748017	111874091	240194	130381914	4395881112	4403356355
	Previous Year	18853017	4403251355	0	4422104371	9398251	9349766	0	18748017	4403356355	9454765
B.	Intangible Assets										
1	Softwares	12977397	1848409		14825806	170662	2789826		2960488	11865318	12806735
	Total Intangible Assets (B)	12977397	1848409	0	14825806	170662	2789826	0	2960488	11865318	12806735
	Previous Year	0	12977397	0	12977397	0	170662	0	170662	12806735	0
C.	Capital Work in Progress										
	Total Capital Work in Progress (C)	0	0	0	0	0	0	0	0	0	0
	Previous Year	3529719246	886509506	4416228752	0	0	0	0	0	0	3529719246
	Total (A+B+C)	4435081769	106472776	465713	4541088832	18918679	114663917	240194	133342402	4407746430	4416163090
	Previous Year	3548572263	5302738258	4416228752	4435081769	9398251	9520428	0	18918679	4416163090	3539174011



13. NON CURRENT INVESTMENTS

Name of the Company	Face Value (₹)	As at 31 st March 2014		As at 31 st March 2013	
		Qty.(Nos.)	Amount (In ₹)	Qty.(Nos.)	Amount (In ₹)
- Long Term Investments (at cost)					
A. TRADE					
A.1 Investments in Equity Instruments					
- Fully Paid up Equity Shares (Quoted) Jai Prakash Associates Ltd	2	10920	291690	375920	10042592
- Fully Paid up Equity Shares in Associate Company (Unquoted) Parsvnath HB Projects Pvt. Ltd.	10	24020	240200	24020	240200
Total-A (Trade)		34940	531890	399940	10282792
B. OTHER THAN TRADE					
B.1 Investments in Equity Instruments					
Fully Paid up Equity Shares					
Quoted					
Royal Orchid Hotels Ltd	10	496	81840	496	81840
RRB Securities Ltd. (*)	10	86100	8610000	86100	8610000
Unquoted					
Harsai Investments Ltd	10	200000	2000000	200000	2000000
Total-B (Other than trade)		286596	10691840	286596	10691840
Grand Total - (A+B)		321536	11223730	686536	20974632

Aggregate amount of Quoted Investments ₹ 89,83,530/- (Previous year ₹ 1,87,34,432/-) and Market Value thereof ₹ 92,11,582/- (Previous year ₹ 3,32,47,169/-)

Aggregate amount of unquoted investment in shares ₹ 22,40,200/- (Previous year ₹ 22,40,200/-)

Investment Costing ₹ Nil/- (Previous Year ₹ 1,00,18,014/-) were lying pledged in favour of the bank as at the year end.

(*) Listed but not quoted.

14. LONG TERM LOANS & ADVANCES

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Unsecured, Considered Good		
Capital Advances	6527032	9178800
Security Deposits	5289200	4815809
Total in ₹	11816232	13994609

15. OTHER NON CURRENT ASSETS

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Deposits with Banks*	134560383	108269455
Total in ₹	134560383	108269455

*Pledged/ under lien with banks including for issue of Bank Guarantees/LC

16. INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at 31 st March, 2014 (In ₹)	As at 31 st March, 2013 (In ₹)
Completed Construction (Real Estate)	158971170	176539845
Food & Beverages	8604348	4485077
Stores and Operating Supplies	40912822	56005593
Total in ₹	208488340	237030515

17. TRADE RECEIVABLES

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Unsecured, considered good		
Outstanding for a period exceeding Six Months	0	0
Others	21598672	13634714
Total in ₹	21598672	13634714

18. CASH & BANK BALANCES

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Cash & Cash Equivalents		
Cash-in-Hand	1048874	1340057
Balances with Banks		
- In Current and Deposit Accounts	46192287	8695408
Other Bank Balances		
- In Earmarked Dividend Accounts	7391950	7568571
Total in ₹	54633111	17604036

19. SHORT TERMS LOANS AND ADVANCES

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Unsecured, Considered Good		
Loans and Advances to Related Party-Associate*	10894883	10894884
Prepaid Expenses/Expenses recoverable /Advances against supplies	3546852	2776518
Property Tax, Service tax	7158073	7687190
Advance Tax and Tax deducted at Source (Net of Provisions)	11035695	5515525
Total in ₹	32635503	26874117

*To Parsvnath HB Projects Pvt. Ltd.

20. OTHER CURRENT ASSETS

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Interest accrued but not due on Bank deposits	1273930	1275002
Total in ₹	1273930	1275002

21. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31 st March 2014 (In ₹)	For the Year ended 31 st March 2013 (In ₹)
Hotel		
Room Income	196459425	4491847
Food & Beverages, Restaurant and Banquet Income	173898031	4423062
Others	16914702	301467
Real Estate		
Sales	37026600	29725000
Other Operating Income*	5373312	35698733
Total in ₹	429672070	74640109

* Includes Rental Income, Facility Charges and Other Claims

22. OTHER INCOME

Particulars	For the Year ended 31 st March 2014 (In ₹)	For the Year ended 31 st March 2013 (In ₹)
Share of Loss from AOP	0	-830466
Interest On Fixed Deposits with banks	10582671	10166641
Dividend Income on Non Current/ Long Term Investments	187960	300460
Gain on Sale on Non Current/Long Term Investments	8317285	24353186
Interest on Loan and Advances from Associates	0	8535127
Other Income	819563	417173
Exchange rate Variation	45259	12575
Total in ₹	19952738	42954696



23. FOOD AND BEVERAGES CONSUMED

Particulars	For the Year ended 31 st March 2014 (In ₹)	For the Year ended 31 st March 2013 (In ₹)
Opening Stock	4485077	0
Add : Purchases	49648571	11213734
Less : Capitalised	0	3261146
Less : Closing Stock	8604348	4485077
Total in ₹	45529300	3467511

24. INCREASE/DECREASE IN STOCK-COMPLETED CONSTRUCTION

Particulars	For the Year ended 31 st March 2014 (In ₹)	For the Year ended 31 st March 2013 (In ₹)
Opening Stock	176539845	191575358
Less : Closing Stock	158971170	176539845
Total in ₹	17568675	15035513

25. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31 st March 2014 (In ₹)	For the Year ended 31 st March 2013 (In ₹)
Salaries and Benefits	52870909	8501364
Payment to Contractors	21755741	717937
Reimbursement of expenses on personnel deputed to the Company	35559455	2197195
Contribution to Provident fund and other fund	4296407	864070
Staff welfare	17058931	1065618
Total in ₹	131541443	13346184

26. FINANCE COSTS

Particulars	For the Year ended 31 st March 2014 (In ₹)	For the Year ended 31 st March 2013 (In ₹)
Interest expense*	226051429	61821576
Loan Processing Fees	78748359	0
Total in ₹	304799788	61821576

*Includes Interest on IncomeTax ₹ Nil (Previous Year ₹ 18,41,734/-)
Interest capitalised during the year ₹ Nil (Previous Year ₹ 21,23,02,829/-)

27. OTHER EXPENSES

Particulars	For the Year ended 31 st March 2014 (In ₹)	For the Year ended 31 st March 2013 (In ₹)
Linen,Room,Catering & Other Supplies/Services	25636942	767474
Facility Management Services	9141316	3807918
Legal & Professional	4649180	2938441
Payment to Orchestra Staff, Artists & Others	2246795	0
Communication	9482523	1742427
Commission to Travel Agents and Others	2722452	160477
Advertisements	13901519	4324215
Printing & Stationery	3538983	1079801
Conveyance & Travelling	5593645	1804054
Repair & Maintenance:		
To Building	8813802	529352
To Machinery	2883072	42437
To others	8591402	2300462
Fuel,Power and Light	77320511	6200369
Water Charges	4791241	52445
Listing Fee	40000	40000
Insurance	1816788	55558
Subscription	2295501	17361
Sitting Fees	401000	537000
Business Promotion Expenses	1448363	8514
Miscellaneous	3641404	428243
Vehicle Running & Maintenance	791063	555213
Licence Fees	4047544	363013
Operating Fees	21272171	460819
Auditors' Remuneration		
- Audit Fees	250000	250000
- Tax Audit Fees	35000	35000
- Tax Matters	16200	94100
- Certification & Others	61500	57500
- Certification & Others	362700	436600
Rates & Taxes	5218609	91565
Discount to Collecting Agents	4630395	190800
Total in ₹	225278921	28934558

28. EARNING PER SHARE

Particulars	Current Year (In ₹)	Previous Year (In ₹)
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders.	-447942820	-68092542
Less: Dividend attributable to Preference Shareholders	0	221918
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders.	-447942820	-68314460
Weighted Average Nos. of Equity Share Outstanding	12042292	12042292
Earning Per Share (face value of ₹10 each)		
Basic and diluted Earning per share (₹)	-37.20	-5.67

29. Other Notes

29.1 Capital Commitments:

Estimated amount of contracts remaining to be executed on Capital account (net of advances) ₹ (Previous year ₹ 5,16,81,364/-).

29.2 Contingent liability in respect of:

- Property Tax - ₹ 78,21,151/- (Previous year ₹ 78,21,151/-)
The total demand raised by MCD was ₹ 83,85,604/-(Previous Year ₹ 83,85,604/-). Against this, the company deposited the admitted liability of ₹ 5,64,453/-(Previous Year ₹ 5,64,453/-). For the balance amount of ₹ 78,21,151/- the company had filed a Writ Petition before the Hon'ble Delhi High Court. The company had also filed a stay petition before the Hon'ble High Court praying for stay for the payment of aforesaid amount of ₹ 78,21,151/-. As per direction of Hon'ble Court the company paid a sum of ₹ 10,18,477/-against the aforesaid demand and for the balance amount the company had been granted stay. The Hon'ble High Court directed MCD to re-compute the tax. In the opinion of management the demand raised by MCD is not sustainable and no further liability will arise and therefore the aforesaid amount of ₹10,18,477/- paid by the company is being shown as recoverable in the Balance Sheet under the head Short Term Loans & Advances.
- Income tax demand for which rectification/appeal has been filed with the appropriate authorities- ₹ 8,93,376/-(previous year ₹ 5,59,190/-).
- Letter of Credit/Bank guarantee issued by bank ₹ 10,86,70,032/- (previous year ₹ 10,82,69,455/-).
- The company had received a show cause notice dated 17.11.2006 from Delhi Development Authority (DDA) demanding a sum of ₹ 258.68 Lacs (Excluding undetermined interest) on account of ground rent in respect of its property at Plot No. A-2, 3 & 4 in District Centre, Wazirpur, Delhi upto the period 14th July, 2006. Aggrieved by show cause notice issued by DDA, the company filed a writ petition in the Hon'ble High Court of Delhi Challenging the aforesaid demand. The Hon'ble High Court, vide its order dated 4th December, 2006 set-aside the matter to DDA for reconsideration. DDA vide Notice dated 12.01.2010 demanded a sum of ₹ 398.46 lacs (excluding interest) towards ground rent upto the period 14.07.2010. Aggrieved by the said demand, the company again filed a writ petition in the Hon'ble High Court of Delhi which vide its order dated 31.05.2010 stayed the operations of the order of DDA subject to company depositing a sum of ₹ 100 Lacs. As per the direction of Hon'ble high court, the company has deposited the said amount of ₹ 100 lacs on 10.06.2010. The matter is pending for final disposal by the Hon'ble Court. The liability will be determined only after the disposal of matter by the Hon'ble High Court of Delhi ; and therefore at this stage, in the opinion of management any further provision is neither considered necessary nor ascertainable. The effect of any arrear/excess amount will be taken after the decision of the Hon'ble Court.
- Claim against the company not acknowledged as debt ₹ 2,77,55,293/- (Previous Year ₹ 2,77,55,293/-)

29.3 Related Party Transactions:

Related party disclosures
As per Accounting Standard (AS-18) on "Related Party Disclosures", the disclosure of transactions with the related party as defined in the Accounting Standard are given below :-

29.3 (a) List of Related parties with whom transactions have taken place and relationship :

- Key Managerial Personnel
 - Mr.Praveen Gupta -CFO
 - Mr. Rajesh Singh Chahar,Company Secretary (w.e.f. 13th March,2014)
 - Ms. Arpita B.Malhotra, Company Secretary (Up to 12th March, 2014)
- Person having significant influence/control/major shareholders
 - Sh. Lalit Bhasin
- Enterprises over which significant influence/control exist of the relatives of persons mentioned in (b) above
 - RRB Master Securities Delhi Ltd.
- Enterprises under direct or indirect common control/significant influence
 - HB Stockholdings Ltd.
 - HB Portfolio Ltd.
 - HB Securities Ltd,(Subsidiary of HB Portfolio Ltd.)
 - HB Leasing & Finance Co Ltd.
 - RRB Securities Ltd.
 - RRB Masterholdings Ltd,(Subsidiary of RRB Securities Ltd.)
- Enterprises under Joint ventures/Assocaiate Company
 - Parsvnath Developers (AOP)
 - Parsvnath HB Projects Pvt. Ltd.-Associate



29.3(b) Transactions during the year with related party.

Nature of Transaction	Referred to in (a) above	Referred to in (b) above	Referred to in (c) above	Referred to in (d) above	Referred to in (e) above
Remuneration & other services	3759971	Nil	Nil	Nil	Nil
	(3361516)	(Nil)	(Nil)	(Nil)	(Nil)
Sitting Fee	Nil	60000	Nil	Nil	Nil
	(Nil)	(70000)	(Nil)	(Nil)	(Nil)
Share of Loss	Nil	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(830466)
Rent Received	Nil	Nil	753744	2153040	Nil
	(Nil)	(Nil)	(753744)	(2153040)	(Nil)
Sale	Nil	Nil	Nil	Nil	Nil
	(Nil)	(30528)	(Nil)	(Nil)	(Nil)
Sale of Investment through them	Nil	Nil	18068187	Nil	Nil
	(Nil)	(Nil)	(37042716)	(Nil)	(Nil)
DP Charges paid	Nil	(Nil)	Nil	5682	Nil
	(Nil)	Nil	(Nil)	(10188)	(Nil)
Dividend paid	Nil	3707237	Nil	203039	Nil
	(Nil)	(7063350)	(Nil)	(184160)	(Nil)
Interest paid on Loan	Nil	Nil	Nil	10800000	Nil
	(Nil)	(Nil)	(Nil)	(10800000)	(Nil)
Investment/Loans and Advances recovered during the year	Nil	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(350000000)
Interest Received during the year	Nil	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(8535127)
Advance received during the year	Nil	Nil	Nil	Nil	Nil
	(Nil)	(100000)	(Nil)	(Nil)	(Nil)
Outstanding in respect of Loan including interest accrued as on 31.03.2014 (Payable)	Nil	Nil	Nil	94846685	Nil
	(Nil)	(Nil)	(Nil)	(94846685)	(Nil)
Outstanding in respect of Advance received	Nil	69472	Nil	Nil	Nil
	(Nil)	(69472)	(Nil)	(Nil)	(Nil)
Outstanding in respect of Loan and advances including interest accrued thereon (Receivable)	Nil	Nil	Nil	Nil	10894884
	(Nil)	(Nil)	(Nil)	(Nil)	(10894884)
Outstanding payable in respect of security deposit received	Nil	Nil	142485	86200000	Nil
	(Nil)	(Nil)	(142485)	(86200000)	(Nil)

29.3(c) Disclosure in respect of material outstanding balance of related party transactions:

- (i) Short Term borrowing includes loan taken from HB Portfolio Ltd. ₹ 9,00,00,000/- (previous year ₹ 9,00,00,000/-); Interest accrued but not due thereon ₹ 48,46,685/- (previous year ₹ 48,46,685/-). (ii) Security Deposits received includes ₹ 3,45,00,000/- (previous year ₹ 3,45,00,000/-) from HB Stockholdings Ltd.; ₹ 3,45,00,000/- (previous year ₹ 3,45,00,000/-) from HB Portfolio Ltd.; ₹ 1,15,00,000/- (previous year ₹ 1,15,00,000/-) from HB Leasing & Finance Co. Ltd.; ₹ 57,00,000/- (previous year ₹ 57,00,000/-) from RRB Securities Ltd. and ₹ 1,42,485/- (previous year ₹ 1,42,485/-) from RRB Master Securities Delhi Ltd. (iii) Short term Loan and advances includes ₹ 1,08,94,884/- (Previous Year ₹ 1,08,94,884/-) from Parsvnath HB Projects Pvt. Ltd.

29.4 (a) C.I.F. value of Imports

Particulars	As at 31 st March 2014 (In ₹)	As at 31 st March 2013 (In ₹)
Stores and Operating Supplies	549909	24371032
Capital Goods	3225835	79618126

(b) Expenditure in foreign currency (Including Pre-operative)

Particulars	Year ended 31 st March 2014 (In ₹)	Year ended 31 st March 2013 (In ₹)
Travelling	426517	937644
Professional & Technical Fees	2700441	3587498
Advertisement	4031201	171074
Others	1664420	33418

(c) Earning in Foreign Currency:

Particulars	Year ended 31 st March 2014 (In ₹)	Year ended 31 st March 2013 (In ₹)
Sale/revenue (including pre-operative revenue)	127088790	3115166

- (d) The company has not remitted any dividend in foreign currency and does not have information as to the extent to which remittance, if, any in foreign currency on account of dividends have been made by/ on behalf of non – resident shareholders. The particulars of dividend paid to non- resident shareholders are as under:-

Particulars	Current Year (In ₹)	Previous Year (In ₹)
No. of Non- resident shareholders	633	646
No. of equity Shares held by them	108115	108773
i) Amount of Dividend paid (Gross) (₹)	54058	108773
ii) Tax Deducted at Sources	Nil	Nil
iii) Year to which dividend relates	2012-13	2011-12

29.5 Disclosure pursuant to Accounting Standard - 15

(a) Defined Contribution Plan

Amount recognized as expense for defined contribution plans are as under :-

Particulars	Current Year (in ₹)	Previous Year (in ₹)	Head under which shown in statement of Profit & Loss
Contribution to Provident Fund	1189518	463928	Contribution to Provident Fund & other fund.

(b) Defined Benefit Plan

Movement in net liability

Particulars	Gratuity (Funded) ₹		Leave Encashment (Unfunded) ₹	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at the beginning of the year (A)	1332107	907332	895989	601798
Adjustment for increase (decrease) in opening obligation (B)	Nil	Nil	Nil	Nil
Interest Cost (C)	107845	72587	80639	49512
Current service cost (D)	608051	561894	285822	328782
Benefits paid (E)	-569424	Nil	-441226	-167229
Actuarial loss/ (gain) on obligation (F)	753092	-209706	24533	83126
Present value of obligations as at the end of the year (G=A+B+C+D-E+F)	2231671	1332107	845757	895989

(c) The amounts recognized in the balance sheet and Profit & loss account are as follows:

Particulars	Gratuity (Funded) ₹		Leave (Unfunded) ₹	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	2231671	1332107	845757	895989
Estimated fair value of plan assets (B)	117633	637756	Nil	Nil
Net Liability (C=A-B)	2114038	694351	845757	895989
Amounts in the Balance Sheet				
Liabilities	2114038	694351	845757	895989
Amount charged to Profit & Loss Account				
Current Service Cost	608051	561894	285822	328782
Interest Cost	107845	72587	80639	49512
Expected Return on Plan Asset	-42648	-51342	Nil	Nil
Actuarial(Gain)/Loss	753092	-209706	24533	83126
	1426340	373433	390994	461420
Head under which shown in the Profit & Loss account	Contribution to Provident Fund and other Funds		Salary & benefits.	

(d) The Actual Return on Plan Assets is as follows:

Particulars	Gratuity	
	Current Year	Previous Year
i) Actual return on plan assets	42648	51342



(e) Following are the Principal Actuarial Assumptions used as at the balance sheet date

Particulars	Gratuity	
	Current Year	Previous Year
Discount Rate	8%	8%
Expected Rate of Return on Plan Assets	9%	9%
Salary Escalation Rate	6%	6%

(f) A reconciliation of the opening and closing balances of the fair value of plan assets:

Particulars	Gratuity	
	Current Year	Previous Year
Opening Fair Value of Plan Assets	637756	535571
Expected Return on Plan Assets	42648	51342
Actuarial Gains / (Losses)	Nil	Nil
Contribution by the Employer	6653	50843
Benefits Paid	569424	Nil
Closing Fair Value of Plan Assets	117633	637756

29.6 Foreign Currency Exposures

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	Foreign Currency (FC)	Amount in FC	Amount in ₹
Trade Payable	USD	24608 (345)	1501014 (18764)
	GBP	1550 (0)	154767 (0)
	Euro	0 (9331)	0 (648908)
Creditors for Capital Expenditure	USD	0 (12150)	0 (660830)

There are no hedged foreign currency exposure.

Figures in brackets relate to the Previous Year.

29.7 Disclosure of Loans/Advances in the nature of loans in terms of provision of clause 32 of Listing Agreement with Stock Exchanges-

Particulars	Outstanding Balance as on 31.03.2014	Max. Balance outstanding during the year	Outstanding Balance as on 31.03.2013	Max. Balance outstanding during the previous Year
i. Loans & Advances in the nature of Loans to subsidiaries:-	Nil	Nil	Nil	Nil
ii. Loans & Advances in the nature of loans to Associates:- - Parsvnath HB Projects Private Limited	10894883	10894883	10894883	353213269
iii. Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 372A of the Companies Act, 1956	Nil	Nil	Nil	Nil
iv. Loans & Advances in the nature of loans to firms/companies in which directors are interested.	Nil	Nil	Nil	Nil
v. Investments by Loanee in the Shares of parent company and subsidiary company when the company has made loan or advance in the nature of Loan.	No. of Shares Nil	Amount Nil	No. of Shares Nil	Amount Nil

AS PER OUR REPORT ATTACHED ON EVEN DATE

For P BHOLUSARIA & Co.
CHARTERED ACCOUNTANTS
Firm Registration No. : 000468N

AMIT GOEL
PARTNER
(Membership No. 092648)

PLACE : GURGAON
DATED : 24.05.2014

29.8 Segment Reporting

Business Segments:

The company organized its operations in to two major businesses viz. Real estate and Hotel.

Geographical Segments:

The Company operates in a single geographical segment.

SEGMENT DISCLOSURES

Particulars	Real Estate	Hotel	Unallocable	Total
Segment Revenue				
External Revenue	42399912	387272158	0.00	429672070
	(65423733)	(9216376)	(0.00)	(74640109)
Inter segment Revenue	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total Revenue	42399912	387272158	0.00	429672070
	(65423733)	(9216376)	(0.00)	(74640109)
Segment results before finance cost and tax	11089514	(93503970)	(2542992)	(84957448)
	(41027932)	(21087659)	(27350339)	(47290612)
Less: Finance Cost				304799788
				(61821576)
Profit before tax				(389757235)
				(14530964)
Tax expenses				58185584
				(53561578)
Profit after Tax				(447942820)
				(68092542)
Segment Assets	158971170	4519517743	187059772	4865548685
	(186495503)	(4488487514)	(167753057)	(4842736075)
Segment Liability	107922018	85965867	86959514	280847398
	(106096634)	(103066119)	(90200646)	(299363399)
Capital Expenditure	0.00	103486574	2986202	106472776
	(0.00)	(886509506)	(0.00)	(886509506)
Segment depreciation	1198935	113464982	0.00	114663917
	(217803)	(9302625)	(0.00)	(9520428)
Non cash expenditure other than depreciation	1113251	704083	0.00	1817334
	(704591)	(130262)	(0.00)	(834853)

29.9 Detail of consumption of imported and indogenous items:

Particulars	Current Year		Previous Year	
	Amount	% of consumption	Amount	% of consumption
(i) Raw Materials				
Imported	77788	0.17	0	0
Indigenous	45451512	99.83	3467511	100
Total	45529300	100	3467511	100
(ii) Stores and Supplies				
Imported	1793628	7.00	0	0
Indigenous	23843314	93.00	767474	100
Total	25636942	100	767474	100

29.10 Disclosure pursuant to Accounting Standard AS-19 for Leases:-

The company generally enters into cancellable operating lease for office premises and residence of the employees normally renewable on expiry. Lease payments amounting to ₹ 67,13,597/- (Previous Year ₹ 12,74,652/-) made under operating lease have been recognized as an expense.

29.11 The Board of directors of the company has approved the amalgamation of a company Pisces Portfolio Private Limited with the company w.e.f. the appointed date i.e. 1st April, 2012. These financial statements are on standalone basis and do not include the figures of Pisces Portfolio Private Limited as the scheme of amalgamation is subject to various statutory approvals.

29.12 Previous year figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

FOR AND ON BEHALF OF THE BOARD

JML SURI
Director

ANIL GOYAL
Director

PRAVEEN GUPTA
Chief Financial Officer

RAJESH SINGH CHAHAR
Company Secretary



HB ESTATE DEVELOPERS LIMITED

FORM NO. MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

CIN : L99999HR1994PLC034146
Name of the Company : HB Estate Developers Limited
Regd. Office : Plot No. 31, Echelon Institutional Area, Sector - 32, Gurgaon - 122 001 (Haryana)
Name of the Member(s) :
Regd. Address :
Email Id :
Folio No./Client Id :
DP Id :

I/We, being the member(s) of Shares of the above named Company, hereby appoint:

- 1) Name.....Address.....
 Email.....Signature.....or failing him
- 2) Name.....Address.....
 Email.....Signature.....or failing him
- 3) Name.....Address.....
 Email.....Signature.....or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th ANNUAL GENERAL MEETING of the Company to be held on Wednesday, October 29, 2014 at 11:00 A.M. at GIA HOUSE, I.D.C. Mehrauli Road, Opp. Sector 14, Gurgaon - 122001, Haryana and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. Adoption of Audited Financial Statements for the financial year ended March 31, 2014 together with the reports of the Directors' and Auditors' thereon.
2. Re-appointment of Mr. Anil Goyal.
3. Appointment of M/s. P.Bholusaria & Company, Chartered Accountants, Statutory Auditors and fixing their remuneration.

Special Business:

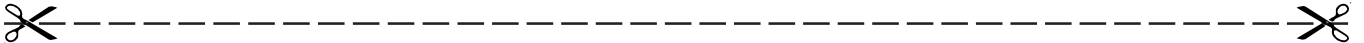
4. Appointment of Mr. Rajesh Jain as an Independent Director.
5. Appointment of Mrs. Asha Mehra as an Independent Director.
6. Adoption of new Articles of Association of the Company.
7. Passing of fresh resolution for borrowing monies under Section 180(1)(c) of the Companies Act, 2013.

Signed this ____ day of _____, 2014

Signature of the Shareholder _____ 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.



HB ESTATE DEVELOPERS LIMITED

ATTENDANCE SLIP

20TH ANNUAL GENERAL MEETING

Time : 11.00 A.M., 29th day of October, 2014
Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

FULL NAME OF THE FIRST SHAREHOLDER.....

Joint Shareholders, if any.....

Father's/Husband's Name

Address in full.....

FULL NAME(S) OF THE PERSON ATTENDING THE MEETING AS A PROXY/SHAREHOLDER(S)

I/We hereby record my/our presence at the 20th Annual General Meeting held on Wednesday, 29th day of October, 2014 at 11.00 A.M. at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

Folio No. / DP-Id :

Client-Id :

No. of Shares :

Signature(s).....

Members may please note that the Auditorium Authorities do not permit carrying of bags/articles/snack packets etc. inside the meeting hall. The Company will not make any arrangements for safe keeping of articles etc. outside the Hall. Members may make their own arrangements which shall be solely at their risk and cost and the Company will in no way be responsible for any loss/theft of articles etc.

Affix
Rupee 1/-
Revenue
Stamp

