





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**  
**Mr. Luv Malhotra**

**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

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**NOTICE**

(Note: The business of this Meeting may be transacted through electronic voting system)

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Company will be held as follows:

Day : Tuesday  
 Date : 22nd September, 2015  
 Time : 11.00 A.M.  
 Place : GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon (Haryana) - 122001.  
 to transact the following business/(s):

**AS ORDINARY BUSINESS:**

- To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2015, 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. Lalit Bhasin (DIN 00002114), 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. Luv Malhotra (DIN 00030477) as an Independent (Non- Executive) 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 (“Act”) 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. Luv Malhotra (DIN 00030477), who was appointed as an Additional Director (Independent Non-Executive) in terms of Section 161(1) of the Companies Act, 2013 who shall hold office upto the date of 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.”

**BY ORDER OF THE BOARD  
 For HB ESTATE DEVELOPERS LTD.**

Sd/-

**RAJESH SINGH CHAHAR  
 COMPANY SECRETARY**

Place : Gurgaon  
 Date : 30.05.2015

**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 SHALL NOT ACT AS PROXY FOR MORE THAN (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A PERSON 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 SHALL NOT 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 forms part of this notice.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 16th September, 2015 to 22nd September, 2015. (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. 10,27,058/- (Rupees Ten Lacs Twenty Seven Thousand Fifty Eight Only) being the unpaid and unclaimed dividend amount pertaining to Final Dividend, 2007 on 22<sup>nd</sup> October, 2014, 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 29<sup>th</sup> October, 2014, 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.
- Members are requested to:
  - 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.

- 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.
- 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 136 of the Companies Act, 2013. 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 2015 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 2015 including Attendance Slip and Proxy Form are being sent by the permitted mode.
  - Voting through electronic means:**
    - 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 is providing facility to cast the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”). The business of this Meeting may be transacted through electronic voting system. 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 15th September, 2015.** 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 facility to cast the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Karvy Computershare Private Limited (“Karvy”).



- III. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting, shall be able to exercise their right at the meeting through Polling Paper.
- IV. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- V. The remote e-voting period commences on **19th September, 2015 (9:00 a.m.) and ends on 21st September, 2015 (5:00 p.m.)**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. If you are already registered with Karvy for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication.
- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 15th September, 2015.
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com), however, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote.
- X. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutiner, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.hbestate.com](http://www.hbestate.com) and on the website of Karvy immediately after the result is declared by the Chairman and simultaneously forward the result to the Bombay Stock Exchange where the securities of the Company are listed.
- 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 (21<sup>st</sup>) AGM (Refer Note No. 2 & 4 of the Notice for AGM)**

Name of the Director	Mr. Lalit Bhasin	Mr. Luv Malhotra
Date of Birth	14th August 1968	09 <sup>th</sup> March, 1973
Date of Appointment	20th September 1994	31st March, 2015
Profile/ Expertise in Specific functional Areas.	Entrepreneur having more than 20 years of rich experience in the field of Stock Market operations, Strategic Investment and management.	Mr. Luv Malhotra, has done his M.Sc. in Economics from the University of Buckingham, United Kingdom. He has been working in Hospitality Industry from last 17 years. He is currently working as Joint Managing Director of CHL Limited.
Qualifications	Bachelor of Commerce	M.Sc.
List of directorship in other Public Companies. (As on 31 <sup>st</sup> March 2015)	<ol style="list-style-type: none"> <li>HB Stockholdings Limited</li> <li>HB Leasing &amp; Finance Company Limited</li> <li>RRB Master Securities Delhi Limited</li> <li>Taurus Asset Management Company Limited</li> <li>HB Portfolio Limited</li> <li>Mansingh Hotels and Resorts Limited</li> <li>CHL Limited</li> <li>Jaypee Infratech Limited</li> </ol>	<ol style="list-style-type: none"> <li>CHL Limited</li> <li>CHL (South) Hotels Limited</li> <li>Chandigarh Industrial And Tourism Development Corporation Limited</li> </ol>
Membership of Committee of the Board in other Public Companies (As on 31 <sup>st</sup> March 2015)	<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>HB Leasing &amp; Finance Company Limited</li> <li>Mansingh Hotels and Resorts Limited</li> <li>CHL Limited</li> </ol> <p><b>Stakeholders Relationship Committee</b></p> <ol style="list-style-type: none"> <li>HB Leasing &amp; Finance Company Limited</li> <li>CHL Limited</li> </ol> <p><b>Nomination &amp; Remuneration Committee</b></p> <ol style="list-style-type: none"> <li>HB Leasing &amp; Finance Company Limited</li> <li>CHL Limited</li> </ol> <p><b>Corporate Social Responsibility Committee</b></p> <ol style="list-style-type: none"> <li>HB Stockholdings Limited</li> </ol>	Nil
Shares held by the Director	7414473	NIL

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

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

Place : Gurgaon  
Date : 30.05.2015

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO. 4:**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Luv Malhotra as an Additional Director (Independent Non-executive) under Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors after consideration has recommended to appoint Mr. Luv Malhotra as Non-Executive Independent Director within the meaning of Section 149 and 152 [including section 149(10)] of the 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/- proposing the candidature of Mr. Luv Malhotra for the office of Independent Director, to be appointed 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. Luv Malhotra (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 he is not disqualified under sub-section (2) of Section

164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets 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. Luv Malhotra, the Independent Director proposed to be appointed fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft letter for the appointment of Mr. Luv Malhotra as Independent Director 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 said independent director is 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 this resolution.

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

**BY ORDER OF THE BOARD**  
For **HB ESTATE DEVELOPERS LTD.**

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

Place : Gurgaon  
Date : 30.05.2015



**DIRECTORS' REPORT**

To the Members,

Your Directors are pleased to present the 21<sup>st</sup> Annual Report together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2015.

**FINANCIAL RESULTS**

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

PARTICULARS	(₹ in Lakhs)	
	Year Ended 31.03.2015	Year Ended 31.03.2014
<b>Total Turnover</b>	6623.03	4413.08
<b>Gross Profit/ (Loss)</b>	1521.27	213.89
<b>Add/(Less) : Exceptional Items</b>	(1023.60)	83.17
<b>Less :</b>		
(a) Depreciation	1491.50	1146.64
(b) Finance Cost	3104.77	3047.99
(c) Provision for Income Tax	409.32	581.86
<b>Net Profit/(Loss)</b>	(4507.92)	(4479.43)
<b>Appropriations :</b>		
General Reserve	0.00	0.00
Proposed Dividend	0.00	0.00
Tax on Dividend	0.00	0.00
<b>Accumulated Profits</b>	(4507.92)	(3049.99)

**DIVIDEND**

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

**PERFORMANCE REVIEW & OUTLOOK**

The total income for the year under review was ₹ 6623.03 lakhs as against ₹ 4413.08 lakhs in the previous year.

The total turnover of the hotel unit of the Company, Vivanta By Taj, Gurgaon-NCR, for the financial year under review was ₹ 5751.79 lakhs as compared to ₹ 3865.12 lakhs during the previous year.

During the financial Year 2014-2015 the Company has reported a much higher Gross Profit amounting to ₹ 1521.27 lakhs compared to ₹ 213.89 lakhs in the previous year. However mainly due to exceptional items and higher depreciation, Net Loss amounting to ₹ 4507.92 lakhs compared to ₹ 4479.43 lakhs in the previous year has been reported.

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

**SHARE CAPITAL**

The paid up Share Capital of the Company as on March 31, 2015, was ₹ 96,13,82,870 consisting of 1,61,38,287 Equity shares of ₹ 10 each and 80,00,000 - 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100 each. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options or sweat equity.

**NUMBER OF MEETINGS OF THE BOARD**

During the year under review, there were Five (5) Board Meetings. The details of the number of meetings of the Board held during the financial year 2014-2015 forms part of Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, your Directors state that:

- in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2014-2015 and of the profit or loss for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual financial statements for the year ended 31<sup>st</sup> March, 2015, have been prepared on a going concern basis;
- proper internal financial controls were in place and that the financial controls were adequate and operating effectively;
- the system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**DECLARATION BY INDEPENDENT DIRECTORS**

Mr. Rajesh Jain, Mrs. Asha Mehra and Mr. Luv Malhotra are Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013, and revised Clause 49 of the Listing Agreement with the Stock Exchange.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

**MAJOR EVENTS IN THE COMPANY**

- Scheme of Amalgamation of Pisces Portfolios Pvt. Ltd. with the Company was approved by the High Court of Punjab & Haryana vide its Order dated 15<sup>th</sup> September, 2014.
- Company issued and allotted 50 Lakhs 9% Redeemable Non-Convertible Non-Cumulative Preference Shares Series II at face value of ₹ 100 each, on a Private Placement basis, after taking approval from its members via Postal Ballot.

**ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The requirements pertaining to disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134(3)(m) of the Companies Act, 2013 are not applicable to your Company.

During the year under review, foreign exchange earnings were ₹ 1902.84 lakhs. The foreign exchange outgo during the said period was ₹ 36.36 lakhs towards payment of Professional and Technical fees and ₹ 63.52 lakhs towards advertisement and other expenses.

**RISK MANAGEMENT**

The Company has adopted the Risk Management Policy for Risk Assessment and minimization. These procedures are reviewed to ensure that the management controls risk through means of a properly defined framework. The Risk Management Policy is a part of Management Discussion and Analysis which forms a part of this report.

**DEPOSITS**

Your Company has neither invited nor accepted any deposits from the Public / shareholders during the year under review. There has been no default in repayment of deposits or payment of interest thereon during the year under review.

**SIGNIFICANT ORDERS PASSED BY THE REGULATORS OR COURTS**

- Approval of Scheme of Amalgamation of Pisces Portfolios Private Limited with the Company by the Hon'ble High Court of Punjab & Haryana.

There were no other significant orders passed by the Regulators / Courts or Tribunal during the year under review which has an impact on the Going Concern status and Company's status in the future.

**PARTICULARS OF REMUNERATION**

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the Company is as under:

- The ratio of the remuneration of each director to the median remuneration of the employees of the for the financial year, and
- The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Sl. No.	Name of the Director/KMP	Designation	% Increase in remuneration in the financial year 2014-15	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Mr. Lalit Bhasin	Director (Non-executive)	Nil	Nil
2.	Mr. Anil Goyal	Director (Non-executive)	Nil	Nil
3.	Mr. Jag Mohan Lal Suri	Director (Non-executive)	Nil	Nil
4.	Mr. Rajesh Jain	Director (Non-executive)	Nil	Nil
5.	Mrs. Asha Mehra	Director (Non-executive)	Nil	Nil
6.	Mr. Luv Malhotra	Director (Non-executive)	Nil	Nil
7.	Mr. Praveen Gupta	Chief Financial Officer		Nil
8.	Mr. Rajesh Singh Chahar	Company Secretary		Nil

**Note:** No Director received any remuneration other than sitting fee during the financial year 2014-15

- The percentage increase in the median remuneration of employees in the financial year: **Nil**
- The number of permanent employees on the rolls of the Company: **17 (seventeen)**
- The explanation on the relationship between average increase in remuneration and Company performance: **Not Applicable**
- Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

Particulars	₹ (Lacs)
Remuneration of Key managerial Personnel during financial year 2014-15	33.19
Revenue from Operations	6454.29
Remuneration (as % of revenue)	0.51
Profit before tax (PBT)	(4098.60)
Remuneration(as % of PBT)	(0.81)

- Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer: **NIL**

- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: **NIL**



9. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:

₹ In Lakhs

Particulars	Chief Financial Officer	Company Secretary
Remuneration	29.79	3.40
Revenue	6454.29	6454.29
Remuneration (as % of revenue)	0.46	0.05
Profit before tax (PBT)	(4098.60)	(4098.60)
Remuneration(as % of PBT)	(0.73)	(0.08)

10. The key parameters for any variable component of remuneration availed by the directors : **Not Applicable**
11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:  
**None**
12. It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

**INTERNAL CONTROL AND SYSTEMS**

The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures is to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and corporate policies and procedures. The adequacy of internal financial control systems are reviewed by the Audit Committee of the Board in its periodical meetings.

**INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has a comprehensive Internal Financial Control system commensurate with the size and scale of its operations. The system ensures the reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The policies and procedures adopted by the company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors and timely preparation of reliable financial information.

**CORPORATE GOVERNANCE**

The Company has complied with the Corporate Governance code as stipulated under the Listing Agreement with the Stock Exchange. A separate section on Corporate Governance for the year under review is annexed hereto and forms a part of the Annual Report.

**RELATED PARTY TRANSACTIONS**

All transactions entered with Related Parties during the financial year were on an arm's length basis and were in the ordinary course of business. Further there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website - www.hbestate.com, web link- www.hbestate.com/Investor centre/CorporateGovernance.

**STATEMENT PURSUANT TO LISTING AGREEMENT**

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

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

There are no Subsidiaries or Joint Ventures of the Company.

In terms of Section 2(6) of the Companies Act, 2013, Parsvnath HB Projects Pvt. Ltd. is an associate company. The required details of the same is being provided in Form AOC-1, forming part of the financial statement.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As per the relevant provisions of the existing Articles of Association of the Company and the provisions of the Companies Act, 2013, Mr. Lalit Bhasin, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

As per the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, the Board of Directors had appointed Mr. Luv Malhotra as an Additional Director (Independent Non-Executive) of the Company with effect from 31<sup>st</sup> March, 2015 who shall hold office upto the date of next Annual General Meeting. The above appointment was based on the recommendation of the Nomination and Remuneration Committee subject to the approval of the Shareholders of the Company at the forthcoming Annual General Meeting. Details of the proposal for the appointment of Mr. Luv Malhotra as an Independent Director with effect from 31<sup>st</sup> March, 2015, for a period of five consecutive years, are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 21<sup>st</sup> Annual General Meeting of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Praveen Gupta, Chief Financial Officer and Mr. Rajesh Singh Chahar, Company Secretary were designated as the Key Managerial Personnel of the Company.

**BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of various Committees. The Independent Directors also carried out the evaluation of the Chairman and the Non- Independent Directors and the manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

**NOMINATION AND REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The said Policy is marked as "Annexure - I" which is annexed hereto and forms part of the Director's Report.

**STATUTORY AUDITORS**

The Auditors, M/s P. Bholusaria & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. Observations of the Statutory Auditors are explained, wherever necessary, by way of notes to accounts.

**INTERNAL AUDITORS**

M/s. M.K. Choudhary & Co., Chartered Accountants, New Delhi are the Internal Auditors of the Company and M/s Grant Thornton India LLP, are the Internal Auditors of the hotel project of the company, Vivanta by Taj, Gurgaon- NCR, and their reports are reviewed by the Audit Committee periodically in its meetings.

**SECRETARIAL AUDITOR**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. A.N. Kukreja of M/s. A. N. Kukreja & Co., to conduct the Secretarial Audit of the company for the financial year 2014-2015. The Report of the Secretarial Audit in Form MR-3 is annexed as "Annexure- II".

Observations made by the Secretarial Auditor:

- (a) The Company does not have a Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-time Director, as required under Section 203 of the Companies Act, 2013.

Comment: The management is searching for a suitable candidate for the post of Managing Director/ Chief Executive Officer of the Company.

- (b) The Company does not come within the ambit of sub-section (1) of Section 135 of the Companies Act, 2013 for the financial year 2014-15.

Comment: The Company has incurred average net loss for immediately preceding three financial years. Hence the Company is not required to spend any amount on the CSR activities during the financial year 2014-15.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Board has constituted a Corporate Social Responsibility Committee pursuant to Section 135 of the Companies Act, 2013. Composition of the CSR Committee is as mentioned in the Corporate Governance Report. The Board after taking considerations from the Corporate Social Responsibility Committee approved the Corporate Social Responsibility Policy for the Company and disclosed its contents in the Corporate Governance Report. The Company has incurred average net loss for immediately preceding three financial years, hence the Company is not required to spend any amount towards CSR activities during financial year 2014-2015.

The CSR Policy has also been uploaded on the website of the Company - www.hbestate.com, Web link- www.hbestate.com/Investor centre/CSR and is annexed as "Annexure - III" and forms part of the Director's Report.

**VIGIL MECHANISM - WHISTLE BLOWER POLICY**

The Company has duly approved a Vigil Mechanism - Whistle Blower Policy enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices and for the directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics Policy. It provides a channel to the stakeholders, employees and directors to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or Policy. The whistle Blower Policy duly approved by the Board of Directors is also posted on the website of the Company- www.hbestate.com and the web link for the same is www.hbestate.com/Investor centre/ Corporate Governance.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013, is marked as "Annexure - IV" which is annexed hereto and forms part of the Director's Report.

**SEXUAL HARASSMENT POLICY**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of Sexual Harassment at Workplace in line with the provisions of Sexual harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under. The Company has not received any complaints on sexual harassment during the year under review.

**ACKNOWLEDGMENTS**

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  
HB ESTATE DEVELOPERS LIMITED

Sd/-  
LALIT BHASIN  
(CHAIRMAN)  
(DIN : 00002114)

Place : Gurgaon  
Date : 30.05.2015

## NOMINATION AND REMUNERATION POLICY

### 1. PREAMBLE:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company, this policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by the Nomination and Remuneration Committee (“NRC/Committee”) and approved by the Board of Directors of the Company at their meeting held on 10<sup>th</sup> February, 2015, in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

### 2. OBJECTIVE:

The Objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP and Senior Management. The Key Objectives of the Committee would be:

- 2.1. To guide the Board in relation to appointment and removal of Directors, KMP and Senior Management.
- 2.2. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of Directors, KMP and Senior Management.
- 2.3. Formulation of criteria for evaluation of Independent Director and the Board.
- 2.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 2.5. To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management.
- 2.6. To provide to KMP and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 2.7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 2.8. To develop a succession plan for the Board and to regularly review the plan.
- 2.9. To assist the Board in fulfilling responsibilities.
- 2.10 To implement and monitor policies and processes regarding principles of corporate governance.

### 3. DEFINITIONS:

“Act” means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company both executive and non-executive.

“Key Managerial Personnel (KMP)” means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

“Senior Management” means the personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### 4. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT:

#### A. Appointment Criteria and Qualifications

- (I) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (II) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (III) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### B. Term / Tenure

##### (I) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one (1) year before the expiry of term.

##### (II) Independent Director:

- a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- b) No Independent Director shall hold office for more than two consecutive terms of upto maximum of five (5) years each, but such Independent Director shall be eligible for appointment after expiry of three years of

ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- c) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### C. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

### D. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### E. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

### 5. REMUNERATION TO DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / SENIOR MANAGEMENT PERSONNEL:

The Committee to recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management Personnel of the Company.

- a) The Remuneration / Compensation / Commission etc. to be paid to Managing Director, Whole-time/Executive Director, Non-Executive Director / Independent Directors, KMP shall be governed as per applicable provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- b) The Non-Executive / Independent Director may receive remuneration by way of sitting fee for attending the meeting of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board of Directors. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
- c) The remuneration payable to Senior Management Personnel shall be governed by the Company's HR Policy.

### 6. DUTIES IN RELATION TO NOMINATION MATTERS:

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the guidelines provided under the Companies Act, 2013;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation;
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- f) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- g) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- h) Delegating any of its powers to one or more members of the Committee;
- i) Recommend any necessary changes to the Board; and
- j) Considering any other matters, as may be requested by the Board.

### 7. DUTIES IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- a) Considering and determining the remuneration based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- b) Approving the remuneration of the Senior Management including KMP of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) Delegating any of its powers to one or more members of the Committee.
- d) Considering any other matters as may be requested by the Board.

### 8. REVIEW AND AMENDMENT:

- a) The Committee or the Board may review the policy as and when it deems necessary.
- b) The Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.
- c) This policy may be amended or substituted by the Committee or by the Board as and when required and also by the Company Secretary where there is any statutory changes necessitating the change in the policy.





**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2015**

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

**To,  
The Members of  
HB Estate Developers Limited.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HB Estate Developers Limited** CIN: **L99999HR1994PLC034146** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **HB Estate Developers Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31<sup>st</sup> March, 2015** complied with statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999\*.
    - (e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008\*;
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009\*;
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998\*.
  - (vi) The Other Laws applicable specifically to the Company (including its Project : Vivanta by Taj Gurgaon) are:
    - (a) The Punjab Shops and Commercial Establishments Act, 1958 as adopted by State of Haryana; approvals / certificate for fire safety and NOCs from local bodies.
    - (b) Indian Boilers Act, 1923.
    - (c) Prevention of Food Adulteration Act, 1954.
    - (d) Food Safety and Standards Act, 2006.
    - (e) Legal Metrology Act, 2009 and applicable Rules.
    - (f) The Environment (Protection Act) 1986.
    - (g) Air (Prevention and Control of Pollution) Act, 1981.
    - (h) Water (Prevention and Control of Pollution) Act, 1974.
    - (i) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

\*Foreign Exchange Management Act, 1999 and the rules and regulations at sub-para (iv), SEBI Regulations listed at Serials Nos. (d), (e), (g) and (h) above are not applicable to the Company for 2014-15 as there were no corporate decisions/actions attracting these regulations.
2. We have also examined the compliances with the applicable clauses of the Listing Agreement entered into by the Company with the Bombay Stock Exchange Ltd. The Secretarial Standards issued by the ICSI are not applicable for the financial year 2014-15.
3. During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above subject to the following observations:
  - (a) The Company did not have Managing Director or Chief Executive Officer or Manager and in their absence, a Whole- time Director, as required under Section 203 of the Companies Act, 2013.
  - (b) The Company does not come within the ambit of sub-section (1) of Section 135 of the Companies Act, 2013 for the financial year 2014-15.

4. We further report that:
  - (a) The Board of Directors of the Company is duly constituted with all Non- Executive Directors, including a Woman Director and Independent Directors except Executive Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - (c) Majority decisions are carried through while dissenting members' views are captured and recorded as part of the minutes.
5. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. We further report that during the audit period, the following major decisions were taken:
  - (1) Approval of members was obtained through Postal Ballot process under Section 110 of the Companies Act, 2013 for:
    - (a) Increase of authorized share capital from rupees Sixty Crore to One Hundred Fifteen Crore.
    - (b) Issue of Fifty Lakh Redeemable Preference Shares of Rs. 100/- each for cash on private placement basis.
    - (c) Raising of additional long term funds through further issuance of securities for a value up to rupees Two Hundred Fifty Crore under Sections 42 and 62 of the Companies Act, 2013.
  - (2) Merger/Amalgamation of Pisceos Portfolio Private Ltd. with the Company pursuant to a Scheme of Amalgamation approved by the Honorable High Court of Punjab and Haryana vide its Order dated 15<sup>th</sup> September, 2014.
  - (3) Approval of shareholders was obtained at the Annual General Meeting held on 29<sup>th</sup> October, 2014 for increase of borrowing powers of the Board up to rupees five hundred crore under Section 180(1) (c) of the Companies Act, 2013.

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

**For A.N. Kukreja & Co.  
Company Secretaries**

Sd/-  
**A.N. Kukreja  
(Proprietor)**  
FCS 1070; CP 2318

**Place : New Delhi  
Date : 30th May, 2015**

**Annexure 'A'**

**To,  
The Members of  
HB Estate Developers Limited**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted practices in India, we have neither come across any instance of fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed us of any such case.

**For A.N. Kukreja & Co.  
Company Secretaries**

Sd/-  
**A.N. Kukreja  
(Proprietor)**  
FCS 1070; CP 2318

**Place : New Delhi  
Date : 30th May, 2015**

## CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

### 1. PREAMBLE:

The Board of Directors (the “Board”) of HB Estate Developers Limited (the “Company” or “HBEDL”) in their meeting held on 10th February, 2015 has approved the following Corporate Social Responsibility Policy (CSR Policy) on the recommendation of the Corporate Social Responsibility Committee (CSR Committee) of the Board of Directors as per the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time. This Policy is effective from 10<sup>th</sup> February, 2015.

### 2. SHORT TITLE & APPLICABILITY:

- 2.1 The CSR Policy of HB Estate Developers Limited (“the Company”) encompasses its philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.
- 2.2 This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different segments of the Society.

### 3. THE COMPANY’S APPROACH TOWARDS CORPORATE SOCIAL RESPONSIBILITY:

- 3.1 The approach of the Company towards Corporate Social Responsibility would be oriented to identify the activities in response to felt societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner. The Company will provide financial assistance in the form of grant-in-aid assistance and corpus fund support etc. to support, supplement and improve the quality of life of different segments of the Society.
- 3.2 As a responsible corporate entity, the Company will consistently strive for opportunities to meet the expectation of its stake holders by pursuing the concept of sustainable development with focus on the social welfare activities.
- 3.3 The Companies Act, 2013 provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR. The Company will thus give preference to conduct CSR activities in the State of Haryana and such other place(s) in India wherein the Company has/will have its operations.
- 3.4 The Company may also collaborate with other Companies for undertaking CSR activities in such manner as the CSR Committee may decide in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

### 4. ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY:

The Company would endeavor to adopt an integrated approach to address the community, societal & environmental concerns by taking one or more of the following activities, which shall be taken up strategically, in a focused manner within India only to the extent possible and allowed as per Section 135 of the Companies Act, 2013 and the applicable rules and regulations as may be prescribed in this regard, including any modification (s) thereof.

- (i) Eradicating hunger, poverty, malnutrition, promoting preventive healthcare and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) Promotion of education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the different abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) Ensuring environmental sustainability, ecological balance protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- (vi) Measures for the benefit of armed forces veterans, war widows and their dependants;
- (vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) Contribution to the Prime Minister’s National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

- (ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government;
- (x) Rural development projects;
- (xi) Such other matters as may be prescribed by the Central Government and approved by the Board of Directors / CSR Committee, as the case may be.

### 5. IMPLEMENTATION MECHANISM

The Company would consider the following broad parameters while identifying/selecting the schemes/projects:

- 5.1 The assistance under CSR activities may be in the form of donation, grant-in-aid assistance and corpus fund support so as to create social impact and visibility.
- 5.2 While implementing the identified activities, time frames and milestones may be predefined.
- 5.3 The CSR projects may be based on fundamentals of sustainable development.
- 5.4 In line with the Companies Act, 2013, donation based assistance/ grants, should not be less than limits as may be prescribed by the Central Government/ Ministry of Corporate Affairs from time to time.
- 5.5 Proper screening, checks and balances shall be ensured while sanctioning the CSR proposals.

### 6. PLANNING AND COORDINATION

- 6.1 The CSR Committee will prepare an annual plan for CSR activities for each year and will place the same before the Board of Directors for approval, as the case may be.
- 6.2 The focus of benefits will be in line with the activities mentioned in this document and as per programs, projects and schemes approved.

### 7. MONITORING AND EVALUATION

- 7.1 Regular update on the CSR initiatives undertaken and / or to be undertaken shall be given to the CSR Committee. The Company may also depute one or more employees who shall monitor the CSR initiatives of the Company and report the same to the CSR Committee. The impact of the CSR activities may be quantified to the extent possible. The Chairman of CSR Committee shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the activities.
- 7.2 The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) as may be deemed expedient for the purpose of accomplishments of CSR activities.

### 8. ALLOCATION OF FUNDS

A total allocation of amount as prescribed by the Companies Act, 2013 and approved by the Board will be earmarked every year for implementation of CSR activities.

### 9. REPORTING

An annual report of the activities undertaken under the CSR initiatives will be prepared as per specified format and the same shall be submitted to the Board of Directors for its inclusion in their Board’s Report and on the website of the Company.

### 10. GENERAL

- 10.1 The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company;
- 10.2 In case of any doubt with regard to any provision of this Policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee.
- 10.3 Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Companies Act, 2013, rules and regulations as may be prescribed by the Central Government, from time to time.
- 10.4 The CSR Committee reserves the right to modify, cancel, add, or amend the Policy at any time subject to the approval of the Board of Directors.



**FORM NO. MGT – 9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31.03.2015**

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

**I. REGISTRATION & OTHER DETAILS:**

i.	CIN	L99999HR1994PLC034146
ii.	Registration Date	20th September, 1994
iii.	Name of the Company	HB Estate Developers Limited
iv.	Category/Sub-Category of the Company	Company having Share Capital
v.	Address of the Registered office & contact details	Plot No. 31, Echelon Institutional Area, Sector-32, Gurgaon – 122001, Haryana Phone: 0124-4675500, Fax : 0124-4370985 Email : corporate@hbestate.com Website: www.hbestate.com
vi.	Whether listed company	Yes (Listed at BSE)
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	RCMC Share Registry Pvt. Ltd. B-25/1, First Floor Okhla Industrial Area, Phase-II New Delhi – 110 020 Phone: 011-26387320, 21, 23 Fax: 011-26387322 Email: shares@rcmcdelhi.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Construction and Hotels	41001 and 55101	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:**

Sl. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1.	<b>Parsvnath HB Projects Pvt. Ltd.</b> Address: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi- 110032.	U45200DL2008PTC175708	Associate	49.00	2(6)

**IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity):**

**(i) Category-wise Shareholding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual / HUF	77,54,473	0	77,54,473	64.39	77,54,473	3,32,808	80,87,281	50.11	-14.28
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	1,84,160	0	1,84,160	1.53	1,84,160	37,63,187	1,34,160	24.46	22.93
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL: (A) (1)</b>	<b>79,38,633</b>	<b>0</b>	<b>79,38,633</b>	<b>65.92</b>	<b>79,38,633</b>	<b>40,95,995</b>	<b>1,20,34,628</b>	<b>74.57</b>	<b>8.65</b>
<b>(2) Foreign</b>									
a) NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL: (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>79,38,633</b>	<b>0</b>	<b>79,38,633</b>	<b>65.92</b>	<b>79,38,633</b>	<b>40,95,995</b>	<b>1,20,34,628</b>	<b>74.57</b>	<b>8.65</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	1125	1125	0.01	125	1000	1125	0.01	0.00
b) Banks / FI	0	195	195	0.00	0	195	195	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>1320</b>	<b>1320</b>	<b>0.01</b>	<b>125</b>	<b>1195</b>	<b>1320</b>	<b>0.01</b>	<b>0.00</b>



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies Corporate									
i) Indian	5,77,933	18,908	5,59,025	4.80	5,84,165	18,845	6,03,010	3.74	-1.06
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakhs	13,76,031	19,54,531	33,30,562	27.66	13,44,814	19,18,708	32,63,522	20.22	-7.44
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakhs	82,836	0	82,836	0.68	1,12,895	0	1,12,895	0.70	0.02
c) Other (specify)									
i) Clearing Members	4,378	0	4,378	0.00	11,586	0	11,586	0.07	0.07
ii) Non-Residents	44,690	61,940	1,06,630	0.89	49,711	61,615	1,11,326	0.69	-0.20
<b>SUB TOTAL (B)(2):</b>	<b>20,66,960</b>	<b>20,35,379</b>	<b>41,02,339</b>	<b>29.23</b>	<b>21,03,171</b>	<b>19,99,168</b>	<b>41,02,339</b>	<b>25.42</b>	<b>-3.81</b>
<b>TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+(B)(2)</b>	<b>20,66,960</b>	<b>20,36,699</b>	<b>41,03,659</b>	<b>34.08</b>	<b>21,03,296</b>	<b>20,00,363</b>	<b>41,03,659</b>	<b>25.43</b>	<b>-8.65</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>1,00,05,593</b>	<b>20,36,699</b>	<b>1,20,42,292</b>	<b>100.00</b>	<b>1,00,41,929</b>	<b>60,96,358</b>	<b>1,61,38,287</b>	<b>100.00</b>	<b>0.00</b>

(ii) Shareholding of Promoters:

SI. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1.	Lalit Bhasin	74,14,473	61.57	0.00	74,14,473	45.94	0.00	-15.63
2.	HB Stockholdings Limited	1,50,000	1.25	0.00	16,15,608	10.01	0.00	8.76
3.	Ayush Kapur	75,000	0.62	0.00	75,000	0.46	0.00	-0.16
4.	Kanishk Kapur	75,000	0.62	0.00	75,000	0.46	0.00	-0.16
5.	Manasvin Arora	75,000	0.62	0.00	75,000	0.46	0.00	-0.16
6.	Mehar Arora	75,000	0.62	0.00	75,000	0.46	0.00	-0.16
7.	Mamta Kapur	40,000	0.33	0.00	40,000	0.25	0.00	-0.08
8.	RRB Master Holdings Limited	34,160	0.28	0.00	34,160	0.21	0.00	-0.07
9.	HB Portfolio Limited	0	0	0.00	20,41,587	12.65	0.00	12.65
10.	Rima Arora	0	0	0.00	3,32,800	2.06	0.00	2.06
11.	RRB Securities Limited	0	0	0.00	2,56,000	1.59	0.00	1.59
	<b>Total</b>	<b>79,38,633</b>	<b>65.92</b>	<b>0.00</b>	<b>1,20,34,628</b>	<b>74.57</b>	<b>0.00</b>	<b>8.65</b>

(iii) Change in Promoters' Shareholding (Please specify, if there is no change):

SI. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year	79,38,633	65.92	79,38,633	65.92
2.	Allotment of Equity Shares on 12th December, 2014 (On account of Amalgamation of Pisces Portfolios Private Limited with the Company)	40,95,995	25.38	1,20,34,628	74.57
3.	At the end of the year	1,20,34,628	74.57	1,20,34,628	74.57



(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
1	<b>CHL LIMITED</b>					
	At the beginning of the year	259984	2.16	259984	2.16	
	At the end of the year			<b>259984</b>	<b>1.61</b>	
2	<b>RELIGARE FINVEST LTD</b>					
	At the beginning of the year	87025	0.72	87025	0.72	
	At the end of the year			<b>87025</b>	<b>0.54</b>	
3	<b>SUJATA HOLDINGS PVT LTD</b>					
	At the beginning of the year	78890	0.66	78890	0.66	
	04/04/2014	Transfer	1588	0.01	80478	0.67
	23/05/2014	Transfer	1555	0.01	82033	0.68
	At the end of the year			<b>82033</b>	<b>0.51</b>	
4	<b>KAJAL MALHOTRA</b>					
	At the beginning of the year	26684	0.22	26684	0.22	
	At the end of the year			<b>26684</b>	<b>0.17</b>	
5	<b>AJAY KUMAR GUPTA</b>					
	At the beginning of the year	21484	0.18	21484	0.18	
	At the end of the year			<b>21484</b>	<b>0.13</b>	
6	<b>AVANTHA HOLDINGS LIMITED</b>					
	At the beginning of the year	20790	0.17	20790	0.17	
	At the end of the year			<b>20790</b>	<b>0.13</b>	
7	<b>SHRI PARASRAM HOLDINGS PVT.LTD.</b>					
	At the beginning of the year	19426	0.16	19426	0.16	
	04/04/2014	Transfer	-15	0.00	19411	0.16
	11/04/2014	Transfer	101	0.00	19512	0.16
	18/04/2014	Transfer	-52	0.00	19460	0.16
	25/04/2014	Transfer	325	0.00	19785	0.16
	02/05/2014	Transfer	-149	0.00	19636	0.16
	9/05/2014	Transfer	27	0.00	19663	0.16
	16/05/2014	Transfer	585	0.00	20248	0.17
	23/05/2014	Transfer	-735	-0.01	19513	0.16
	30/05/2014	Transfer	-90	0.00	19423	0.16
	06/06/2014	Transfer	216	0.00	19639	0.16
	13/06/2014	Transfer	-535	0.00	19104	0.16
	20/06/2014	Transfer	100	0.00	19204	0.16
	30/06/2014	Transfer	26	0.00	19230	0.16
	04/07/2014	Transfer	173	0.00	19403	0.16
	11/07/2014	Transfer	111	0.00	19514	0.16
	18/07/2014	Transfer	300	0.00	19814	0.16
	25/07/2014	Transfer	-162	0.00	19652	0.16
	01/08/2014	Transfer	-231	0.00	19421	0.16
	08/08/2014	Transfer	397	0.00	19818	0.16
	15/08/2014	Transfer	100	0.00	19918	0.17
	22/08/2014	Transfer	275	0.00	20193	0.17
29/08/2014	Transfer	-100	0.00	20093	0.17	
12/09/2014	Transfer	-250	0.00	19843	0.16	
19/09/2014	Transfer	205	0.00	20048	0.17	



Sl. No.	For Each of the Top Ten Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	30/09/2014	Transfer	85	0.00	20133	0.17
	03/10/2014	Transfer	176	0.00	20309	0.17
	10/10/2014	Transfer	-87	0.00	20222	0.17
	17/10/2014	Transfer	-26	0.00	20196	0.17
	24/10/2014	Transfer	100	0.00	20296	0.17
	31/10/2014	Transfer	-212	0.00	20084	0.17
	07/11/2014	Transfer	9	0.00	20093	0.17
	14/11/2014	Transfer	208	0.00	20301	0.17
	21/11/2014	Transfer	200	0.00	20501	0.17
	28/11/2014	Transfer	-708	-0.01	19793	0.16
	05/12/2014	Transfer	180	0.00	19973	0.17
	12/12/2014	Transfer	675	0.00	20648	0.13
	19/12/2014	Transfer	-52	0.00	20596	0.13
	31/12/2014	Transfer	-890	-0.01	19706	0.12
	02/01/2015	Transfer	-1	0.00	19705	0.12
	09/01/2015	Transfer	361	0.00	20066	0.12
	16/01/2015	Transfer	-213	0.00	19853	0.12
	23/01/2015	Transfer	976	0.01	20829	0.13
	30/01/2015	Transfer	202	0.00	21031	0.13
	06/02/2015	Transfer	-405	0.00	20626	0.13
	13/02/2015	Transfer	300	0.00	20926	0.13
	06/03/2015	Transfer	-75	0.00	20851	0.13
	13/03/2015	Transfer	-725	0.00	20126	0.12
	20/03/2015	Transfer	-75	0.00	20051	0.12
	27/03/2015	Transfer	500	0.00	20551	0.13
	<b>At the end of the year</b>				<b>20551</b>	<b>0.13</b>
<b>8</b>	<b>SWAVIN BUSINESS CONSULTANTS PRIVATE LIMITED</b>					
	<b>At the beginning of the year</b>		12395	0.10	12395	0.10
	23/05/2014	Transfer	537	0.00	12932	0.11
	05/09/2014	Transfer	1125	0.01	14057	0.12
	12/09/2014	Transfer	300	0.00	14357	0.12
	21/11/2014	Transfer	30	0.00	14387	0.12
	28/11/2014	Transfer	49	0.00	14436	0.12
	12/12/2014	Transfer	639	0.00	15075	0.09
	27/02/2015	Transfer	3730	0.02	18805	0.12
	<b>At the end of the year</b>				<b>18805</b>	<b>0.12</b>
<b>9</b>	<b>S. K. WADHAWAN</b>					
	<b>At the beginning of the year</b>		12050	0.10	12050	0.10
	<b>At the end of the year</b>				<b>12050</b>	<b>0.07</b>
<b>10</b>	<b>AMIT AZAD</b>					
	<b>At the beginning of the year</b>		11600	0.10	11600	0.10
	15/08/2014	Transfer	-1500	-0.01	10100	0.08
	22/08/2014	Transfer	-8152	-0.07	1948	0.02
	19/09/2014	Transfer	-750	-0.01	1198	0.01
	30/09/2014	Transfer	-1198	-0.01	0	0.00
	<b>At the end of the year</b>				<b>0</b>	<b>0.00</b>



Sl. No.	For Each of the Top Ten Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year		
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
11	<b>MULTIPLEX CAPITAL LTD</b>						
	<b>At the beginning of the year</b>		0	0.00	0	0.00	
	04/04/2014	Transfer	10166	0.08	10166	0.08	
	30/06/2014	Transfer	977	0.01	11143	0.09	
	04/07/2014	Transfer	223	0.00	11366	0.09	
	11/07/2014	Transfer	653	0.01	12019	0.10	
	22/08/2014	Transfer	4700	0.04	16719	0.14	
	03/10/2014	Transfer	100	0.00	16819	0.10	
	<b>At the end of the year</b>				<b>16819</b>	<b>0.10</b>	
12	<b>INDUS PORTFOLIO PVT. LTD</b>						
	<b>At the beginning of the year</b>		0	0.00	0	0.00	
	04/04/2014	Transfer	8625	0.07	8625	0.07	
	09/05/2014	Transfer	25	0.00	8650	0.07	
	16/05/2014	Transfer	-25	0.00	8625	0.07	
	23/05/2014	Transfer	262	0.00	8887	0.07	
	30/05/2014	Transfer	-162	0.00	8725	0.07	
	30/06/2014	Transfer	-3205	-0.03	5520	0.05	
	05/09/2014	Transfer	-125	0.00	5395	0.04	
	12/09/2014	Transfer	6000	0.05	11395	0.09	
	19/09/2014	Transfer	-25	0.00	11370	0.09	
	30/09/2014	Transfer	-7350	-0.06	4020	0.03	
	24/10/2014	Transfer	-1000	-0.01	3020	0.03	
	28/11/2014	Transfer	4400	0.04	7420	0.06	
	05/12/2014	Transfer	1600	0.01	9020	0.07	
	12/12/2014	Transfer	2500	0.02	11520	0.07	
	19/12/2014	Transfer	4150	0.03	15670	0.10	
	31/12/2014	Transfer	325	0.00	15995	0.10	
	02/01/2015	Transfer	1572	0.01	17567	0.11	
	09/01/2015	Transfer	1738	0.01	19305	0.12	
	16/01/2015	Transfer	515	0.00	19820	0.12	
	23/01/2015	Transfer	400	0.00	20220	0.13	
	20/03/2015	Transfer	-45	0.00	20175	0.13	
	27/03/2015	Transfer	3475	0.02	23650	0.15	
	31/03/2015	Transfer	-700	0.00	22950	0.14	
	<b>At the end of the year</b>				<b>22950</b>	<b>0.14</b>	
	13	<b>RAJESH KUMAR JAIN</b>					
		<b>At the beginning of the year</b>		0	0.00	0	0.00
04/04/2014		Transfer	9000	0.07	9000	0.07	
30/09/2014		Transfer	6000	0.05	15000	0.12	
<b>At the end of the year</b>				<b>15000</b>	<b>0.09</b>		
14	<b>AJAY KUMAR PODDAR</b>						
	<b>At the beginning of the year</b>		0	0.00	0	0.00	
	04/04/2014	Transfer	4792	0.04	4792	0.04	
	11/04/2014	Transfer	880	0.01	5672	0.05	
	16/05/2014	Transfer	2111	0.02	7783	0.06	
	23/05/2014	Transfer	-187	0.00	7596	0.06	
	13/06/2014	Transfer	1405	0.01	9001	0.07	
	20/06/2014	Transfer	1950	0.02	10951	0.09	
	30/06/2014	Transfer	907	0.01	11858	0.10	



Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
	04/07/2014	Transfer	1289	0.01	13147	0.11
	11/07/2014	Transfer	572	0.00	13719	0.11
	18/07/2014	Transfer	888	0.01	14607	0.12
	25/07/2014	Transfer	124	0.00	14731	0.12
	01/08/2014	Transfer	559	0.00	15290	0.13
	08/08/2014	Transfer	1363	0.01	16653	0.14
	22/08/2014	Transfer	500	0.00	17153	0.14
	19/09/2014	Transfer	1000	0.01	18153	0.15
	30/09/2014	Transfer	500	0.00	18653	0.15
	10/10/2014	Transfer	387	0.00	19040	0.16
	17/10/2014	Transfer	747	0.01	19787	0.16
	31/10/2014	Transfer	800	0.01	20587	0.17
	07/11/2014	Transfer	112	0.00	20699	0.17
	14/11/2014	Transfer	575	0.00	21274	0.18
	21/11/2014	Transfer	1000	0.01	22274	0.18
	28/11/2014	Transfer	-1000	-0.01	21274	0.18
	12/12/2014	Transfer	1608	0.01	22882	0.14
	19/12/2014	Transfer	500	0.00	23382	0.14
	31/12/2014	Transfer	-1010	-0.01	22372	0.14
	02/01/2015	Transfer	-1000	-0.01	21372	0.13
	13/03/2015	Transfer	-2000	-0.01	19372	0.12
	27/03/2015	Transfer	-5763	-0.04	13609	0.08
	<b>At the end of the year</b>				<b>13609</b>	<b>0.08</b>

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors & KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Lalit Bhasin	74,14,473	61.57	74,14,473	45.94
2.	Mr. Anil Goyal	NIL	N.A	NIL	N.A
3.	Mr. Jagmohan Lal Suri	500	0.00	500	0.00
4.	Mr. Rajesh jain	NIL	N.A	NIL	N.A
5.	Mrs. Asha Mehra	NIL	N.A	NIL	N.A
6.	Mr. Luv Malhotra*	N.A	N.A	NIL	N.A
7.	Mr. Praveen Gupta, CFO (KMP)	565	0.00	565	0.00
8.	Mr. Rajesh Singh Chahar, CS (KMP)	NIL	N.A	NIL	N.A

Note: There is no change in the shareholding of Directors & KMP during the year.

\*Appointed as an Additional Director w.e.f 31st March, 2015.

V. INDEBTEDNESS:

Indebtedness of the company including interest outstanding/accrued but not due for payment:

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,80,17,19,788	1,72,14,50,000	NA	3,52,31,69,788
ii) Interest due but not paid	NIL	NIL	NA	NIL
iii) Interest accrued but not due	2,03,86,556	48,46,685	NA	2,52,33,241
<b>Total (i+ii+iii)</b>	<b>1,82,21,06,344</b>	<b>172,62,96,685</b>	<b>NA</b>	<b>3,54,84,03,029</b>
Changes in Indebtedness during the financial year				
• Addition	2,57,033	22,50,00,000	NA	22,52,57,033
• Reduction	7,67,415	63,98,54,661	NA	64,06,22,076
<b>Net Change</b>	<b>-5,10,382</b>	<b>-41,48,54,661</b>	<b>NA</b>	<b>-41,53,65,043</b>
Indebtedness at the end of the financial year				
i) Principal Amount	1,80,09,52,373	1,30,67,25,000	NA	3,10,76,77,373
ii) Interest due but not paid	NIL	NIL	NA	NIL
iii) Interest accrued but not due	2,06,43,589	47,17,024	NA	2,53,60,613
<b>Total (i+ii+iii)</b>	<b>1,82,15,95,962</b>	<b>1,31,14,42,024</b>	<b>NA</b>	<b>3,13,30,37,986</b>





**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A) Remuneration to Managing Director, Whole-Time Directors and / or Manager:**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	<b>Total(A)</b>	-
	<b>Ceiling as per the Act</b>	-

**B) Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
		Mr. Rajesh Jain	Mrs. Asha Mehra	Mr. Luv Malhotra*	
1.	<b>Independent Directors</b>				
	• Fee for attending board / committee meetings #	1,26,500	1,24,000	NIL	2,50,500
	• Commission	NIL	NIL	NIL	NIL
	• Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>1,26,500</b>	<b>1,24,000</b>	<b>NIL</b>	<b>2,50,500</b>
2.	<b>Other Non-Executive Directors</b>	<b>Mr. Lalit Bhasin</b>	<b>Mr. Anil Goyal</b>	<b>Mr. Jagmohan Lal Suri</b>	
	• Fee for attending board / committee meetings #	50,000	1,20,500	60,000	2,30,500
	• Commission	NIL	NIL	NIL	NIL
	• Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>50,000</b>	<b>1,20,500</b>	<b>60,000</b>	<b>2,30,500</b>
	<b>Total Managerial Remuneration</b>				<b>4,81,000</b>
	<b>Overall Ceiling as per the Act</b>	Sitting fee paid as per the provisions of the Companies Act, 2013.			

\*Appointed as an Additional Director w.e.f 31st March, 2015.

#Excluding reimbursement of travel and other expenses incurred for attending the meetings.

**C) Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD:**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (₹)
		Mr. Praveen Gupta (Chief Financial Officer)	Mr. Rajesh Singh Chahar (Company Secretary)	
1.	<b>Gross Salary</b> (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	17,40,000 12,39,004 NIL	1,91,613 1,47,968 NIL	19,31,613 13,86,972 NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - As % of profit - Others, specify	NIL - -	NIL - -	NIL - -
5.	Others, please specify	-	-	-
	<b>Total</b>	<b>29,79,004</b>	<b>3,39,581</b>	<b>33,18,585</b>

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD/NCLT / Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty / Punishment / Compounding			None		
<b>B. DIRECTORS</b>					
Penalty / Punishment / Compounding			None		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty / Punishment / Compounding			None		



**MANAGEMENT DISCUSSION AND ANALYSIS**

**1. Operating Results**

The total income earned by the company during the year under review was ₹ 6623.03 lakhs (₹ 4413.08 lakhs in the previous year). During the year under review, the total expenses amounted to ₹ 9698.03 lakhs (₹ 8393.82 lakhs in the previous year).

**2. Industry Trends and Business Analysis**

The year saw continued volatility even in the midst of positive factors like declining oil prices and US economy showing signs of revival, but the commercial real estate sector stayed relatively weak. Overall economic growth was not robust to tackle the slowdown in the financial year 2014-15, the growth in the emerging market economies have slowed. The Government is pushing major reforms to bring an upswing in the economy by launching schemes like 'Make in India'. Some other key drivers for this improvement are a reduction in fiscal tightening and supportive monetary conditions. Reduction in new office space development, 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 business scenario. This has led to new hotel openings by Indian and International hospitality brands. However, due to the economic slowdown, supply outpaced demand there is suppression in the Average Room Rates and slight reduction in the occupancy.

**3. Opportunities and Threats**

The opportunities observed are based on the trends noticed in past couple of years, which continues to be relevant like Domestic market to get boosted due to Government focus on "Make in India". Several reforms have been introduced by the government to boost tourism industry in the country. Year 2014 has witnessed various measures initiated by the Indian Government to revive growth, which if executed correctly, will encourage the ease of doing business in the country which in turn will increase the travel and trade and benefit the hotel and real estate business and hence improve the industry's long-term prospects.

With an increased need of meeting the growing housing demand in India, the Ministry of Housing is set to increase spending on the construction activities, specially the housing for poor. 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. Labor and other costs have considerably increased. The industry has also witnessed substantial increases in input costs such as sand, cement and steel.

Despite this, with the increase in the supply of hotel rooms and falling Average Room Rates, 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 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/ slowdown in growth. The change in economic policies of the government will help in the growth of the real estate industry and may help in keeping up the demand for quality real estate space; however, the higher inflation and hardening of interest rate may prove to be a major hurdle.

The Travel and Tourism Industry globally is expected to grow in 2015 and this with the rapid growth in domestic tourism and India becoming a preferred travel destination for international tourists and the outlook for the travel and tourism industry will be positive in 2015. The Government is implementing Visa on Arrival scheme to provide a boost for the tourism sector. In India the tourism industry faces several issues that need to be addressed for the sector to realize its true potential. Infrastructure development, identification of new tourist destinations and regulatory and policy changes which are being implemented by the government will prove to be a boon for the industry in the times to come.

**5. Risks and concerns**

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.

**Risk Management Policy**

- (i) The Senior Management is responsible for identification of new risks, changes to existing risks and retirement of previously identified risks through a formal decision making process.

- (ii) To ensure key risks are identified and analysed, the Senior Management:
  - (a) defines risks in the context of the Company's strategy;
  - (b) prepares risk profiles including a description of the material risks, the risk level and action plans used to mitigate the risk; and
  - (c) regularly reviews and updates the risk profiles.
- (iii) The Company has implemented a systematic process to assist in the identification, assessment, treatment and monitoring of risks and provides the necessary tools and resources to management and staff to support the effective management of risks.
- (iv) Risks faced by the Company in its business principally arise from Real Estate and Tourism industry. This includes macroeconomic risks, investee company specific risks, market wide liquidity risks and execution risks relating to the company/its intermediaries. The macroeconomic risks, investee company specific risks are covered by investment decisions based on third party research and internal assessment. Market wide risks are assessed and managed by investment timing decisions. The execution risk is managed by dealing with reputed intermediaries and through own back office discipline re accounting and follow up of trades.
- (v) The Company assesses the effectiveness of its risk management plan through structured continuous improvement processes to ensure risks and controls are continually monitored and reviewed.

**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 31<sup>st</sup> March, 2015, stood at ₹ 9613.82 lakhs which includes ₹ 8000.00 lakhs on account of ₹ 80,00,000 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 ₹ 3181.85 lakhs as against ₹ 5129.41 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 ₹ 44829.31 lakhs and ₹ 31517.58 lakhs respectively against ₹ 45653.47 lakhs and ₹ 36543.32 lakhs respectively in the last year.
- d) Current Assets & Current Liabilities: During the year under review, the current assets and current liabilities stood at ₹ 3420.04 lakhs and ₹ 3908.71 lakhs respectively against ₹ 3198.90 lakhs and ₹ 2948.03 lakhs respectively in the last year.

**8. 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 organization.

**9. 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.*



**CORPORATE GOVERNANCE REPORT:**

**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 maximize 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 the Board**

The Board of Directors of your company presently comprises of six (6) 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, Hospitality business, administration and management skill. 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 :**

Five (5) Meetings of the Board of Directors of the Company were held during the year under review, i.e. on - 24th May 2014, 12th August 2014, 13th November 2014, 12th December, 2014, and 10th February, 2015.

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 Membership held 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	8	3	4	1	5	5	Yes	7414473
Mr. Anil Goyal	Non-Independent Non-executive	8	-	4	-	5	5	Yes	Nil
Mr. J.M.L. Suri	Non-Independent Non-executive	9	-	3	2	5	4	Yes	500*
Mr. Rajesh Jain	Independent Non-executive	-	-	-	-	5	5	Yes	Nil
Mrs. Asha Mehra	Independent Non-executive	1	-	-	-	5	5	Yes	Nil
Mr. Luv Malhotra**	Independent Non-executive	3	-	-	-	-	-	-	Nil

\*Joint Holding

\*\*Mr. Luv Malhotra has been appointed as an Additional Director (Independent Non – Executive) on the Board of the Company w.e.f 31<sup>st</sup> March, 2015.

In terms of the provisions of the Articles of Association of the Company, one-third of the rotational directors of the Company retire at every Annual General Meeting. Accordingly, Mr. Lalit Bhasin would retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**2. BOARD COMMITTEES:**

**(A) AUDIT COMMITTEE**

The Board of Directors of the Company constituted the Audit Committee, in its meeting held on 20<sup>th</sup> December, 2001, in conformity with the Clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956. Now as per the provisions of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement the Committee, the terms of the Audit Committee have been revised by the Board of Directors' in their meeting held on 24<sup>th</sup> May, 2014. The Audit Committee consists of three Non-Executive Directors as members, out of which two are Independent Directors. The Chairperson of the Audit Committee is an Independent Director. The Audit Committee comprises of following members:

- I) Mrs. Asha Mehra, Chairperson (Independent Director)
- II) Mr. Rajesh Jain, Member (Independent Director)
- III) Mr. Jagmohan Lal Suri, Member.

Company Secretary of the company acts as the Secretary to the Committee.

The Audit Committee has been empowered, inter-alia, to carry out the following functions:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
  - a) Management discussion and analysis of financial condition and results of operations;
  - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses; and
  - e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
21. The Audit Committee shall also have powers, which should include the following:
  - a) To investigate any activity within its terms of reference.
  - b) To seek information from any employee.
  - c) To obtain outside legal or other professional advice.
  - d) To secure attendance of outsiders with relevant expertise, if it considers necessary.



- e) To consider and act on any matters as or 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.
- f) 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, four Audit Committee Meetings were held on 24th May, 2014, 12th August, 2014, 11th November, 2014 and 10th February, 2015 and the same were attended by all committee members except Mr. Jagmohan Lal Suri, who could not attend the committee meeting held on 10th February, 2015.

**(B) Stakeholders Relationship Committee**

The Board of Directors in their meeting held on 20th December, 2001 had constituted Shareholders / Investors Grievance Committee in terms of the provisions of the Listing Agreement. The Board of Directors in their meeting held on 24<sup>th</sup> May, 2014 changed the nomenclature of the Shareholders/ Investor Grievance Committee to Stakeholders Relationship Committee and approved the revised terms of reference as per the provisions of the Companies Act, 2013, and revised Clause 49 of the Listing Agreement. The Stakeholders Relationship Committee comprises of following members:

- I) Mr. J.M.L. Suri, Chairman
- II) Mr. Anil Goyal, Member
- III) Mr. Rajesh Jain, Member (Independent Director)

Company Secretary of the Company acts as Secretary to the Committee.

Stakeholders Relationship Committee has been empowered, inter-alia, to carry out the following functions:

1. To consider and approve the transfer, transmission and issue of fresh/duplicate share certificates.
2. To review the status of dematerialization of company's shares and matters incidental thereto.
3. 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.
4. To consider, review and look into the redressal of grievances of shareholders, debenture holders and other security holders.
5. To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
6. To consider and finalize the Report on Corporate Governance to be annexed with the Annual Report of the company.
7. To deal with any other matters related and/or incidental to the shareholders.

During the year under review Seven (7) Stakeholders Relationship Committee Meetings were held on 9<sup>th</sup> April, 2014, 24<sup>th</sup> May, 2014, 14<sup>th</sup> July, 2014, 12<sup>th</sup> August, 2014, 22<sup>nd</sup> October, 2014, 19<sup>th</sup> January, 2015 and 18<sup>th</sup> March, 2015 and the same were attended by all the committee members except Mr. Jagmohan Lal Suri, who could not attend the committee meeting held on 18th March, 2015.

**(C) Nomination and Remuneration Committee**

The Board of Directors constituted Remuneration Committee in terms of the provisions of the Listing Agreement on 21st April, 2004. The Board of Directors in their meeting held on 24th May, 2014 and pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, renamed the Remuneration Committee of the Board of Directors as “**Nomination and Remuneration Committee**”. The Nomination and Remuneration Committee comprises of following members:

- I) Mrs. Asha Mehra, Chairperson (Independent Director)
- II) Mr. Rajesh Jain, Member (Independent Director)
- III) Mr. Jag Mohan Lal Suri, Member

Company Secretary of the Company acts as Secretary to the Committee.

The said Committee shall be empowered, inter-alia, to carry out the following functions:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. 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 two (2) Nomination and Remuneration Committee Meetings were held on 10th February, 2015 and 30th March, 2015 and the same were attended by all the committee members except Mr. Jag Mohan Lal Suri, who could not attend the meeting held on 10<sup>th</sup> February, 2015 and Mrs. Asha Mehra who could not attend the meeting held on 30<sup>th</sup> March, 2015.

Nomination and Remuneration Policy forms a part of the Directors Report.

Remuneration paid to Non-executive Directors during the year ended 31st March 2015 is summarised as under:

Director	Relationship with other Directors	Sitting Fees Paid (₹)	Salary & Perks	Commission, if any
Mr. Lalit Bhasin	-	50,000/-	Nil	Nil
Mrs. Asha Mehra	-	1,24,000/-	Nil	Nil
Mr. Anil Goyal	-	1,20,500/-	Nil	Nil
Mr. J. M. L. Suri	-	60,000/-	Nil	Nil
Mr. Rajesh Jain	-	1,26,500/-	Nil	Nil
Mr. Luv Malhotra*	-	Nil	Nil	Nil

\*Appointed as an Additional Director w.e.f 31<sup>st</sup> March, 2015.

The non-executive directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board. The sitting fee for each meeting of Board of Directors and the Committee of Directors is fixed by the Board of Directors within the overall ceiling laid down under the Companies Act.

**(D) Corporate Social Responsibility Committee**

The Board of Directors in its meeting held on 24<sup>th</sup> May, 2014, constituted a Corporate Social Responsibility Committee. This Committee discharges the role of Corporate Social Responsibility Committee under Section 135 of the Companies Act, 2013 which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as per Schedule VII to the Companies Act, 2013; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company. The Committee comprises of:

- I) Mrs. Asha Mehra, Chairperson (Independent Director)
- II) Mr. Rajesh Jain, Member (Independent Director)
- III) Mr. Anil Goyal, Member

Company Secretary of the Company acts as Secretary to the Committee.

CSR Committee has been empowered, inter-alia, to carry out the following functions:

- (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) monitor the Corporate Social Responsibility Policy of the company from time to time.

The Committee met one time during the year on 10<sup>th</sup> February, 2015. All the members attended the above meeting.

**(E) Business Restructuring Committee:**

The Board of Directors in its meeting held on 06<sup>th</sup> February, 2013, constituted a 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 Directors. The committee has been empowered, inter-alia, to carry out the following functions:

1. To analyze all the available options of capital restructuring, merger, demerger etc.
2. To analyze available options for restructuring the existing Capital base by inducting more funds.
3. 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.
4. To appoint Advocates & Legal Counsels for the drafting of Scheme of Amalgamation/ Arrangement.
5. To appoint valuer for obtaining the valuation report.
6. 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 20th October 2014 and 12th December, 2014. These Committee meetings were attended by all the committee members.

**(F) Securities Committee**

The Board of Directors in its meeting held on 12<sup>th</sup> December, 2014, constituted a Securities Committee. The Securities Committee comprises three (3) members, headed by Mrs. Asha Mehra as Chairperson; Mr. Anil Goyal and Mr. Rajesh Jain as its two Members, all being non-executive Directors and the Company Secretary of the Company acts as the Secretary to the Committee. The committee has been empowered, inter-alia, to carry out the following functions:

- a) To raise capital through further issuance and allotment of Securities including but not limited to Equity Shares and/or Convertible Preference Shares and/ or Fully Convertible Debentures (“FCDs”) and/or Non Convertible Debentures (“NCDs”) with warrants, Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), Foreign Currency Convertible Bonds (“FCBs”)



and/or any other financial instruments convertible into or linked to Equity Shares through public issue(s), private placement(s) or a combination thereof, including issuance of Securities through a qualified institutional placement under Chapter VIII of the SEBI ICDR Regulations for an aggregate amount to Rs. 250 Crores.

- b) To expedite the process of preparation and approval of offer documents/ information memorandum, fixing of terms and conditions including pricing, engaging of intermediaries etc. for various kinds of securities, at opportune times.
- c) Approving the draft / final offer documents, placement document and filing the same with any other authority or persons as may be required;
- d) Approving the issue price, payment terms, timings of the issue(s), the number of Securities to be issued, the basis of allocation and allotments of Securities. During the year under review four (4) Committee meetings were held on 05<sup>th</sup> February, 2015, 03<sup>rd</sup> March, 2015, 14<sup>th</sup> March, 2015 and 23<sup>rd</sup> March, 2015 and the same were attended by all the committee members except Mr. Rajesh Jain who could not attend the meeting held on 05<sup>th</sup> February, 2015.

**(G) Sexual Harassment Policy**

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of Sexual Harassment at Workplace in line with the provisions of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under. The Company has not received any complaints on sexual harassment during the year under review.

**(H) Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out the annual performance evaluation of its own performance, individual Directors, Audit and Nomination & Remuneration Committees. A structured questionnaire covering their areas of functioning, execution and performance of specific duties, obligations and governance was prepared. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Performance evaluation of individual Directors on parameters such as level of independence of judgment, safeguarding the interest of the Company and its shareholders etc. was done by the Board separately. The Directors expressed their satisfaction with the evaluation process.

**(I) Policy on related party transactions**

In line with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors, on the recommendation of the Audit Committee, has formulated a Policy on Related Party Transactions which is also available on Company's website viz. www.hbestate.com having following web link, www.hbestate.com/Investor centre/CorporateGovernance. All Related Party Transactions are placed before the Audit Committee for review and approval. None of the Directors has any pecuniary relationships or transactions with the Company during the year under review.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. There were no materially significant Related Party Transactions entered into by the Company during the year under review.

**(J) Familiarization Programme of Independent Directors**

As per Clause 49 of the Listing Agreement the Company has imparted a familiarization programme to familiarize the Independent Directors with the Company, their roles, rights and responsibilities. The details of familiarization programme has already been uploaded on the website of the Company, www.hbestate.com. Web-link- www.hbestate.com/Investor centre/Corporate Governance.

**(K) Independent Directors Meeting:**

During the year under review the Independent Directors held a Meeting on 10th February, 2015. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- A. Reviewed the performance of non-independent directors and the Board as a whole;
- B. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- C. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**4. General Body Meetings:**

**(A) The details of the Annual General Meetings**

(i) Location and time where the last 3 AGM's were held:

Year	Type	Location	Date	Time
2013-14	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	29th October, 2014	11.00 A.M.
2012-13	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	21st November 2013	11.00 A.M.
2011-12	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	12 <sup>th</sup> September 2012	11.00 A.M.

**(ii) List of Special Resolutions passed in the previous 3 AGMs:**

S. No.	Subject Resolutions	AGM
1	To consider and approve adoption of new set of Articles of Association of the Company	AGM 29th October, 2014
2	To consider and approve passing of fresh resolution for borrowing monies under section 180(1)(c) of the Companies Act, 2013.	AGM 29th October, 2014

(iii) Whether Special Resolutions were put through postal ballot last year : Yes

(iv) Are polls proposed to be conducted through postal ballot this year : No

**7 DISCLOSURES**

- I. 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 31<sup>st</sup> March 2015. Accordingly, the same have not been reproduced here.
- II. No penalty has been imposed nor 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.
- III. The Company has adopted a code of conduct applicable to all Directors and Senior Management Personnel of the Company and the same has been posted on the website of the Company www.hbestate.com. For the year under review, all directors and senior management personnel have confirmed their adherence to the provisions of said code. A declaration to this effect from Managing Director of the Company is also given to this effect at the end of this report.
- IV. Risk Assessment and Minimization procedures are in existence and are reviewed periodically.
- V. Whistle Blower Policy- A mandatory requirement has been reviewed by the Company and the same has been uploaded on the website of the Company. The Company further affirms that no personnel has been denied access to the Audit Committee.
- VI. The Chief Financial Officer (CFO) of the Company has, as required under Clause 49 of the Listing Agreement, given the certificate on the review of financial statements, including Cash Flow, for the year ended 31<sup>st</sup> March, 2015 to the Board of Directors.
- VII. All the mandatory requirements under Clause 49 (relating to Corporate Governance norms) of the Listing Agreement are being adhered to / complied with.

**8 MEANS OF COMMUNICATION**

- I. Quarterly Results: Dissemination through Stock Exchange, Company's Website and through publication in newspaper as required under Listing Agreement.
- II. Newspaper wherein results normally published: Business Standard (Hindi & English).
- III. Website where displayed: www.hbestate.com
- IV. The website also displays official news releases and important communications made to Stock Exchange. As and when any presentation is made to institutional investors the same would be simultaneously uploaded in 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).	Tuesday, 22 <sup>nd</sup> September, 2015	11.00 A.M.

II. **Financial Year** : 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015

III. **Date of Book Closure** : 16<sup>th</sup> September, 2015 to 22<sup>nd</sup> September, 2015

IV. **Dividend Payment Date** : No dividend is being declared for year under review.

V. **Listing on Stock Exchanges** :

The Company's equity shares are listed at Bombay Stock Exchange Limited (BSE), Mumbai

**VI. Stock Code:**

The Company's scrip code at BSE is 532334.

**VII. Dematerialization of Share 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.

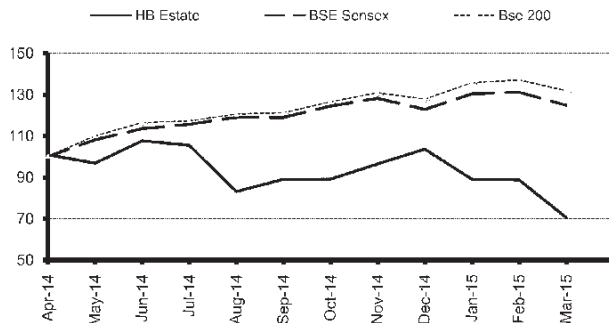
As at 31st March 2015, ₹ 1,00,41,929 Equity Shares of the company are held in dematerialised form constituting 62.23% of the Company's Paid up Equity Share Capital of ₹ 16,13,82,870/- comprising of ₹ 1,61,38,287 Equity shares of ₹ 10/- each.



**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
Apr-14	14.69	12.4	13.59	15286
May-14	15.68	10	13.05	31262
Jun-14	16.35	12.53	14.5	28292
Jul-14	15.51	12.03	14.21	25959
Aug-14	14.3	11	11.2	34097
Sep-14	14.95	11	12	31872
Oct-14	13.7	11	12.01	9777
Nov-14	13.76	10.5	13	28223
Dec-14	14.3	10.8	13.96	34859
Jan-15	14.49	11.01	12	17817
Feb-15	12.68	9.9	11.96	18865
Mar	14.69	9.46	9.51	33900

**IX. Performance in Comparison to broad based indices**



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

	1 year
HB Estate	-30.02%
BSE Sensex	24.71%
BSE 200	31.60%

**XI. The distribution of shareholdings of the Company as on 31<sup>st</sup> March 2015 is as under:**

No of Shares	Shareholders		Shareholding	
	Nos.	% to total	Shares	% to total
Up to 5000	70309	99.52	2943523	18.24
5001-10000	177	0.25	126829	0.79
10001-20000	61	0.09	88446	0.55
20001-30000	26	0.04	63019	0.39
30001-40000	16	0.02	53629	0.33
40001-50000	133	0.02	60638	0.38
50001-100000	15	0.02	126824	0.79
100001 and above	28	0.04	12675379	78.54
<b>TOTAL</b>	<b>70645</b>	<b>100</b>	<b>16138287</b>	<b>100</b>

The category-wise distribution of Shareholders is as follows:

Category	No of Shares held	% of Shareholding
<b>A. Promoters Holding</b>		
• Indian Promoter	1,20,34,628	74.57
• Foreign Promoters	0	0
<b>B. Public Shareholding (Institutions)</b>		
• Mutual Funds and UTI	1,125	0.01
• Banks/Financial Institutions	195	0
• Foreign Institutional Investors	0	0
<b>C. Public Shareholding (Non Institutions)</b>		
• Bodies Corporate	6,03,010	3.74
• NRIs	1,11,326	0.69
• Indian Public	33,76,417	20.92
• Clearing Member/ Intermediary	11,586	0.07
<b>Total</b>	<b>1,61,38,287</b>	<b>100</b>

**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 thirty (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 the Managing Director for transfer of shares up to a fixed number beyond which the matters are placed before the shareholders Committee, which meets as and when required. As reported by Company's RTA all valid requests for transfer during the year under review were transferred within stipulated time limit.

**XIV. The status of Investor's Grievance Redressal from 01.04.2014 to 31.03.2015 is as under:**

Nature of Grievance	Received	Cleared
Non receipt of Dividend	107	107
Relating to transfer, transmission, exchange etc.	44	44
Non Receipt of Annual Report	55	55
Dematerialisation of Shares	859	859
<b>TOTAL</b>	<b>1065</b>	<b>1065</b>

**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 – 110 020  
 Phone: 011 – 26387320, 26387321, 26387323  
 Fax : 011 - 26387322  
 E-mail: shares@rcmcdelhi.com

**XVII. Address for Correspondence:**

HB Estate Developers Limited  
 HB House, 31, Echelon Institutional Area,  
 Sector-32, Gurgaon – 122 001.

**Director's Declaration on Code of Conduct**

**The Members of HB Estate Developers Limited.**

I, J.M.L. Suri, Director of the Company declare that all the members of the Board of Directors; and Senior Management of the Company have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2015.

**For HB ESTATE DEVELOPERS LTD.**

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

Place : Gurgaon  
 Date : 30.05.2015

**CERTIFICATE**

To the Members  
 HB Estate Developers Limited  
 Gurgaon 122001

We have examined the compliance of conditions of Corporate Governance by **HB Estate Developers Limited** for the year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

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 implementation 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**

Place : Gurgaon  
 Date : 30.05.2015

Sd/-  
**AMIT GOEL**  
 PARTNER  
 (Membership No. 092648)



**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 comprises the Balance Sheet as at March 31, 2015, 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**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**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 of the state of affairs of the Company as at 31st March 2015 and its loss and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigation on the financial position in its financial Statements -Refer Note 29.10 to the Financial Statements;
    - ii. The Company did not have any Long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Place : Gurgaon**  
**Date : 30.05.2015**



**Annexure to Independent Auditors' Report**

The annexure referred to in our report to the members of the company on the financial statements for the year ended on 31st March, 2015, we Report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- 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
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 procedure 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. a. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013 ('the Act'). 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. The principal amount and interest wherever applicable thereon in respect of such loan is being recovered as stipulated.
- c. As explained to us, In respect of aforesaid advance given by the Company, there are no overdue amount
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 and services. During the course of our audit, we have not observed any major weakness in the internal control system.
5. The Company has not accepted any deposits from the public.
6. The nature of the company's business/activities is such that maintenance of Cost Records under section 148(1) of the Act is not applicable to the company.
7. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Value added tax Wealth Tax, Customs Duty, Excise Duty, Service tax, Cess and other statutory dues to the extent and as applicable to the company have been generally regularly deposited by the company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2015 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, 2015 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 ₹ 9,43,640/- for which the company is in Appeal before Commissioner of Income Tax (Appeal);
- (iii) Ground Rent as explained in note no. 29.2(c)
- c. In our opinion and according to the information and explanations given to us, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
8. 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.
9. 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 during the **year**.
10. According to the information and explanations given to us, as at the year end the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. 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.
12. 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 course of audit.

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

**AMIT GOEL**  
PARTNER  
(Membership No. 092648)

Place : Gurgaon  
Date : 30.05.2015

**Form AOC-1**

**Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures. (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies(Accounts) Rules, 2014)**

**Part "A": Subsidiaries: Not Applicable**

**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	Name of Associate Company	Parsvnath HB Projects Pvt. Ltd
1.	Latest audited Balance Sheet Date	16.05.2015
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	24,020
	Amount of Investment in Associates/Joint Venture	Rs. 2,40,200/-
	Extend of Holding%	49%
3.	Description of how there is significant influence	Shareholding of more than 20%
4.	Reason why the associate/joint venture is not consolidated	The company has no subsidiary therefore no consolidated accounts are required to be prepared.
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. (136.26) Lacs
6.	Profit/Loss for the year	
	Considered in Consolidation	No consolidation is required
	Not Considered in Consolidation	Loss Rs. 58.50 Lacs





**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015**

Particulars	Note	AS AT	AS AT
		31 <sup>st</sup> MARCH, 2015 (₹)	31 <sup>st</sup> MARCH, 2014 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	964120308	423160358
Reserves and Surplus	3	318185074	512941567
		<b>1282305382</b>	<b>936101925</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	2886018013	3432402373
Deferred Tax Liabilities (Net)	5	152361505	111232027
Other Long Term Liabilities	6	110101261	107922018
Long Term Provisions	7	3277669	2775849
		<b>3151758448</b>	<b>3654332267</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	8	90000000	90000000
Trade Payables	9	96646685	47033203
Other Current Liabilities	10	203986078	157585835
Short Term Provisions	11	238130	183946
		<b>390870893</b>	<b>294802984</b>
		<b>4824934723</b>	<b>4885237176</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets		4299881560	4395881111
Intangible Assets		9786769	11865318
Non-current investments	13	78224599	11223730
Long term loans and advances	14	10530786	11816232
Other Non Current Assets	15	84507388	134560383
		<b>4482931102</b>	<b>4565346774</b>
<b>Current Assets</b>			
Inventories	16	183024243	208488340
Trade receivables	17	34012227	21598671
Cash and Bank Balances	18	51746931	56403219
Short-Term Loans and Advances	19	70071839	32126242
Other Current Assets	20	3148381	1273930
		<b>342003621</b>	<b>319890402</b>
		<b>4824934723</b>	<b>4885237176</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

1 to 29

The accompanying notes form an integral part of the financial statements

As Per our Report attached on even date  
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  
DIN:00002373

ANIL GOYAL  
Director  
DIN:00001938

PLACE : GURGAON  
DATED : 30.05.2015

PRAVEEN GUPTA RAJESH SINGH CHAHAR  
Chief Financial Officer Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED**

**31<sup>st</sup> MARCH, 2015**

Particulars	Note	YEAR ENDED	YEAR ENDED
		31 <sup>st</sup> MARCH, 2015 (₹)	31 <sup>st</sup> MARCH, 2014 (₹)
Revenue from Operations	21	645429431	429672070
Other Income	22	16873569	11635453
<b>Total Revenue</b>		<b>662303000</b>	<b>441307523</b>
<b>Expenses:</b>			
Food and Beverages Consumed	23	55130853	45529300
Changes in inventories of	24	23274954	17568675
Finished Goods/ Stock-in-Trade			
Employee Benefit Expense	25	151540190	131541443
Finance Costs	26	310476972	304799788
Depreciation and Amortization	11	149150186	114663917
Other Expenses	27	280229551	225278921
<b>Total Expenses</b>		<b>969802706</b>	<b>839382044</b>
<b>Profit/(Loss) for the year before tax and exceptional items</b>		<b>(307499706)</b>	<b>(398074521)</b>
<b>Exceptional items</b>			
Profit/(Loss) on sale of Long Term/ Non Current Investments		(102360036)	8317285
<b>Profit/(Loss) for the year before tax and after exceptional items</b>		<b>(409859742)</b>	<b>(389757236)</b>
<b>Tax expense:</b>			
Current tax		0	0
Deferred Tax (Credit)/Charge		40932413	58185584
<b>Profit/(Loss) for the year</b>		<b>(450792155)</b>	<b>(447942820)</b>
<b>Earning per equity share: 28</b>			
Equity share of Par value ₹ 10/-each (Before Exceptional item) in ₹			
Basic		(21.59)	(37.89)
Diluted		(21.59)	(37.89)
(After Exceptional item) in ₹			
Basic		(27.93)	(37.20)
Diluted		(27.93)	(37.20)
Number of equity shares used in computing earning per share			
Basic		16138287	12042292
Diluted		16138287	12042292

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

1 to 29

The accompanying notes form an integral part of the financial statements

As Per our Report attached on even date  
For P BHOLUSARIA & Co.  
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PLACE : GURGAON  
DATED : 30.05.2015

PRAVEEN GUPTA RAJESH SINGH CHAHAR  
Chief Financial Officer Company Secretary


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

PARTICULARS	(AMOUNT IN ₹) YEAR ENDED 31 <sup>ST</sup> MARCH 2015	(AMOUNT IN ₹) YEAR ENDED 31 <sup>ST</sup> MARCH 2014
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax, extraordinary items	(409859742)	(389757236)
Adjustment for :		
Depreciation/Amortisation	149150186	114663917
Loss/(Profit) on sale of fixed assets	(770028)	100446
Interest/Dividend Received	(13639498)	(10770631)
Interest Paid	310476972	226051429
Provision no longer required written back	(1853278)	0
Profit/Loss on sale of long term/non current investments	102360036	(8317285)
Provision for Employees Benefit	556004	1369455
Operating Profit before Working Capital Changes	136420652	(66659905)
Adjustments for :		
Trade & other receivables/Assets	3476580	(8027480)
Inventories	41835476	28542175
Trade Payables & other Liabilities	(465557152)	27192456
Cash generated from operations	(283824444)	(18952755)
Direct Tax Paid	(6996674)	(5520170)
<b>Net Cash from operating activities (A)</b>	(290821117)	(24472925)
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Work in progress/Purchase of Fixed Assets	(50970970)	(106472776)
Sale of Fixed Assets	6875500	90000
Purchase of Investments	(200000)	0
Sale/decrease of Investments	274227948	18068187
Change in other non-current assets	50052994	(26290928)
Change in Loan and advances/other assets	1996834	2178377
Change in Loan and advances/other Liabilities	(748553)	(44170985)
Interest Received	13294319	10582671
Dividend Received	345178	187960
<b>Net Cash received in Investing activities (B)</b>	294873251	(145827493)
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Payment) from/of fractional shares	(255)	0
Proceeds from issue of Preference Share Capital	500000000	0
Proceeds from Borrowings (Net)	(197697821)	442631722
Dividend Paid	0	(6243064)
Tax on Dividend	0	(1061009)
Interest paid	(310476972)	(226051429)
<b>Net Cash used in Financing Activities (C)</b>	(8175048)	209276220
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	(4122915)	38975803
<b>Increase/(Decrease) in Cash &amp; Cash equivalents on Amalgamation</b>	513375	0
CASH & CASH EQUIVALENTS		
<b>(OPENING BALANCE)</b>	49011268	10035465
CASH & CASH EQUIVALENTS		
<b>(CLOSING BALANCE)</b>	45401729	49011268
<b>Components of cash and cash equivalents at the end of the year</b>		
Cash on hand	1112496	1048874
Balances with scheduled banks :		
-In current and deposit accounts	44289233	47962394
	45401729	49011268

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached herewith

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 : 30.05.2015

PRAVEEN GUPTA  
Chief Financial Officer

RAJESH SINGH CHAHAR  
Company Secretary



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1 BASIS OF ACCOUNTING**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**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. 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 over the useful life of assets in the manner prescribed in Schedule II to the Companies Act, 2013.
- 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 realisable 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 transaction of monetary assets and liabilities and realised gain and losses on foreign currency transactions are recognised in the Statement of Profit and Loss.

**2. SHARE CAPITAL**

Particulars	As at 31 <sup>st</sup> March, 2015 (In ₹)	As at 31 <sup>st</sup> March, 2014 (In ₹)
<b>AUTHORIZED</b>		
3,50,00,000 (2,00,00,000) Equity Shares of ₹ 10/- each.	350000000	200000000
80,00,000 (30,00,000) Redeemable Preference Shares of ₹ 100/- each	800000000	300000000
	1150000000	500000000
<b>ISSUED</b>		
1,69,67,625 (1,28,71,630) Equity Shares of ₹ 10/- each.	169676250	128716300
30,00,000 (30,00,000) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each	300000000	300000000
50,00,000 (Nil) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II of ₹ 100/- each	500000000	0
	969676250	428716300
<b>SUBSCRIBED &amp; PAID UP</b>		
1,61,38,287 (1,20,42,292) Equity Shares of ₹ 10/- each fully paid up (See Note 2.1)	161382870	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 (See Note 2.2)	300000000	300000000
50,00,000 (Nil) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II of ₹ 100/- each fully paid up (See Note 2.3)	500000000	0
<b>Total in</b>	<b>964120308</b>	<b>423160358</b>

- Issued Share capital of the Company has following classes of shares referred to as under:

- 2.1 Equity Shares having par value of ₹ 10/. Each holder of Equity Shares is entitled to One vote per share. The dividend Proposed, if any, by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting. 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. Equity Shares include 40,95,995 (Nil) Equity Shares of ₹ 10 each fully paid up, issued and allotted pursuant to Scheme of amalgamation of erstwhile Pisces Portfolios Pvt. Ltd. with the company.

- Reconciliation of the number of Equity Shares outstanding and Amount of Equity Share Capital as on 31st March 2015 & 31st March, 2014 is as under:



Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	12042292	120422920	12042292	120422920
Add: Issued and allotted pursuant to Scheme of Amalgamation	4095995	40959950	Nil	Nil
Number of shares at the end	16138287	161382870	12042292	120422920

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

Name of Shareholder	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Lalit Bhasin	7414473	45.94	7414473	61.57
HB Stockholdings Ltd.	1615608	10.01	150000	1.25
HB Portfolio Ltd	2041587	12.65	0	0.00

2.2 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.

Reconciliation of the number of Preference Shares outstanding and Amount of Preference Share Capital as on 31st March 2015 & 31st March, 2014 is as under:

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	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	0	0
Number of shares at the end	3000000	300000000	3000000	300000000

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

Name of Shareholder	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
HB Stockholdings Ltd.	750000	25.00	750000	25.00
Aquarius Portfolios Pvt. Ltd.	750000	25.00	750000	25.00
HB Portfolio Ltd.	750000	25.00	750000	25.00
Merrygold Investments Ltd.	750000	25.00	750000	25.00

2.3 Preference Shares having par value of ₹ 100/- were allotted in March 2015. 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 at the end of 10th year from the date of allotment.

Reconciliation of the number of Preference Shares Series-II outstanding and Amount of Preference Share Capital as on 31st March 2015 & 31st March, 2014 is as under:

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Number of shares at the beginning	0	0	0	0
Number of shares issued during the year	5000000	500000000	0	0
Number of shares at the end	5000000	500000000	0	0

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

Name of Shareholder	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Gemini Portfolios Pvt. Ltd	2000000	40.00	0	0.00
Aquarius Portfolios Pvt. Ltd.	1000000	20.00	0	0.00
Venus Portfolios Pvt. Ltd	2000000	40.00	0	0.00

3. RESERVES AND SURPLUS

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
	(In ₹)	(In ₹)
Capital Reserve-Opening Balance	-	0
Add: Addition pursuant to and on account of amalgamation	23039795	0
	23039795	0
Capital Redemption Reserve-Opening Balance	-	0
Add: Addition pursuant to and on account of amalgamation	20000000	0
	20000000	0
Securities Premium Reserve-Opening Balance	499742116	499742116
Add: Addition pursuant to and on account of amalgamation	56000000	0
	555742116	499742116
General Reserve -Opening Balance	318199083	318199083
Add: Addition pursuant to and on account of amalgamation	350000000	0
	668199083	318199083
Statutory Reserve -Opening balance	0	0
Add: Addition pursuant to and on account of amalgamation*	125903413	0
	125903413	0
Surplus -Opening Balance	-304999632	142943188
Add: Addition on account of amalgamation as on 01.04.2012	-139037551	0
Add: Transfer due to amalgamation (pertaining to 01.04.2012 to 31.03.2014)	-179869994	0
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	-450792155	-447942820
Surplus-Closing balance	-1074699333	-304999632
<b>Total in ₹</b>	<b>318185074</b>	<b>512941567</b>

\* Created in earlier years under section 45(C) of Reserve Bank of India (Amendment) Act 1997 by amalgamating company Pisces Portfolios Pvt. Ltd. by way of transfer of specified percentage of profits.

4. LONG TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Non-Current	Current	Non-Current	Current
<b>(A) SECURED LOANS:</b>				
<b>Term Loan From Bank-</b>				
- Vehicle Loan from HDFC Bank (1)	73069	413843	486913	374620
- Vehicle Loan from ICICI Bank (2)	32618	432843	465460	392795
- Term Loan from Yes Bank- (I) (3)	899920000	100080000	1000000000	0
- Term Loan from Yes Bank- (II) (3)	796000000	4000000	800000000	0
<b>Total-A</b>	<b>1696025687</b>	<b>104926686</b>	<b>1800952373</b>	<b>767415</b>
<b>(B) UNSECURED LOANS:</b>				
- Term Loan from Religare Finvest Limited (4)	198267326	26732674	0	0
- Intercompany Loans & Advances (5)	991725000	0	1631450000	0
<b>Total-B</b>	<b>1189992326</b>	<b>26732674</b>	<b>1631450000</b>	<b>0</b>
<b>Total (A+B)</b>	<b>2886018013</b>	<b>131659360</b>	<b>3432042373</b>	<b>767415</b>

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

Particulars	1-2 years	2-3 years	3-4 years	Beyond 4 year
	- Vehicle Loan from HDFC Bank	73069	Nil	Nil
- Vehicle Loan from ICICI Bank	32618	Nil	Nil	Nil
- Term Loan from Yes Bank (I) (Rs. 100 Crore)	214320000	214320000	214320000	256960000
- Term Loan from Yes Bank (II) (Rs. 80 Crore)	16000000	28000000	32000000	720000000

- Maturity Profile of Unsecured Term Loan from Religare Finvest Limited is under:

Particulars	1-2 years	2-3 years	3-4 years	Beyond 4 year
	- Term Loan from Religare Finvest Limited	26732674	26732674	26732674



(1) **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.

(2) **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.

(3) **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 ₹ 100 Crore is repayable in 56 monthly installments starting from October 2015 .Last installment due in May 2020.

The Term Loan of ₹ 80 Crore is repayable in 44 Quarterly installments starting from February 2016.Last installment due in November 2026.

(4) **Term Loan from Religare Finvest Limited**

Secured by way of mortgage of Property at Plot No. BP-8,Feroze Gandhi Road Lajpat Nagar-III,New Delhi belonging to Sh. Lalit Bhasin - director of the company.The Rate of Interest is 13.75% P.A.The total loan tenure is of 101 months.The loan is repayable in 8 annual installments of ₹ 2,67,32,674/- and last installment of ₹ 1,11,38,608/-.

(5) Intercorporate Loans and Advances are interest free and are repayable beyond 3 years.

5. **DEFERRED TAX LIABILITY**

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Liability</b>		
Fixed Assets	153447887	112146604
<b>Less:Assets</b>		
Leave Encashment/Gratuity	1086382	914577
<b>Net Deferred Tax Liability</b>	<b>152361505</b>	<b>111232027</b>

6. **OTHER LONG TERM LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
Security Deposits*	110101261	107922018
<b>Total in ₹</b>	<b>110101261</b>	<b>107922018</b>

\* 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 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Provisions For Employees Benefit</b>		
Leave Encashment	1281943	661811
Gratuity (net)	1995726	2114038
<b>Total in ₹</b>	<b>3277669</b>	<b>2775849</b>

8. **SHORT TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Unsecured</b>		
<b>From Related Party (Refer Note No. 29.3)</b>		
Intercorporate Loan	90000000	90000000
<b>Total in ₹</b>	<b>90000000</b>	<b>90000000</b>

9. **TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
Due to Micro, Small & Medium Enterprises (Refer Footnote (i) & (ii))	1391932	1101752
Others	95254753	45931450
<b>Total in ₹</b>	<b>96646685</b>	<b>47033202</b>

(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.	1391932	1101752
(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 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
Current Maturities of Long term Debts (Refer Note No.4)	131659360	767415
Interest Accrued but not due on borrowings	25360613	25233241
Unclaimed Dividend *	6345202	7391951
Creditors for Capital Expenditure (including Retention & Earnest Money)	866425	1614978
Expenses Payable	21173320	16832533
Security Deposits	227464	11863882
Advances from Customers	6779454	85390087
Statutory Dues	11574240	8491748
<b>Total in ₹</b>	<b>203986078</b>	<b>157585835</b>

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

11. **SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Provisions For Employees Benefit</b>		
Leave Encashment	238130	183946
<b>Total in ₹</b>	<b>238130</b>	<b>183946</b>



12. FIXED ASSETS

(Amount In ₹)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION						NET BLOCK		
		As at 01.04.2014	Additions on Amalgamation	Additions during the year	Adjustment During the Year	As at 31.03.2015	As at 01.04.2014	Additions on Amalgamation	For the year	Adjustment During the Year	Total For the Year	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>A. Tangible Assets</b>														
1	Freehold Land	1553037422	0	0	0	1553037422	0	0	0	0	0	1553037422	1553037422	
2	Office Flat	0	6875000	0	6875000	0	0	670313	101116	-771429	0	0	0	
3	Building	1825698958	0	30690352	0	1856389310	33328139	0	29037525	0	29037525	62365664	1794023646	
4	Plant & Equipments	522263904	0	6036033	0	528299937	25856635	0	33780860	0	33780860	59637495	468662442	
5	Furniture & Fixtures	580073906	0	11309707	0	591383613	61311235	0	71065313	0	71065313	132376548	459007064	
6	Vehicles	5096466	0	0	0	5096466	1008284	0	651900	0	651900	1660184	3436282	
7	Office Equipments	1915814	0	440678	0	2356492	723605	0	43770	1007553	1051323	1774928	581563	
8	Computers	38176557	0	1513991	0	39690548	8154016	0	10322202	81189	10403391	18557407	21133141	
	Others	0	0	0	0	0	0	0	0	0	0	0	0	
	<b>Total Tangible Assets (A)</b>	<b>4526263025</b>	<b>6875000</b>	<b>49990761</b>	<b>6875000</b>	<b>4576253786</b>	<b>130381914</b>	<b>670313</b>	<b>145002686</b>	<b>317313</b>	<b>145990312</b>	<b>276372226</b>	<b>4299881560</b>	<b>4395881111</b>
	Previous Year	4422104371	0	104624367	465713	4526263025	18748017	0	111874091	240194	112114285	130381914	4395881111	4403356355
<b>B. Intangible Assets</b>														
1	Softwares	14825806	0	980209	0	15806015	2960488	0	3058758	0	3058758	6019246	9786769	11865318
	<b>Total Intangible Assets (B)</b>	<b>14825806</b>	<b>0</b>	<b>980209</b>	<b>0</b>	<b>15806015</b>	<b>2960488</b>	<b>0</b>	<b>3058758</b>	<b>0</b>	<b>3058758</b>	<b>6019246</b>	<b>9786769</b>	<b>11865318</b>
	Previous Year	12977397	0	1848409	0	14825806	170662	0	2789826	0	2789826	2960488	11865318	12806735
	<b>Total (A+B)</b>	<b>4541088832</b>	<b>6875000</b>	<b>50970970</b>	<b>6875000</b>	<b>4592059802</b>	<b>133342402</b>	<b>670313</b>	<b>148061444</b>	<b>317313</b>	<b>149049070</b>	<b>282391472</b>	<b>4309668330</b>	<b>4407746430</b>
	Previous Year	4435081769	0	106472776	465713	4541088832	18918679	0	114663917	240194	114904111	133342402	4407746430	4416163090

13. NON CURRENT INVESTMENTS

Name of the Company	Face Value (₹)	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
		Qty.(Nos.)	Amount (In ₹)	Qty.(Nos.)	Amount (In ₹)
<b>- Long Term Investments (at cost)</b>					
<b>A. TRADE</b>					
<b>A.1 Investments in Equity Instruments</b>					
<b>- Fully Paid up Equity Shares (Quoted)</b>					
Jaiprakash Associates Ltd	2	0	0	10920	291690
<b>- Fully Paid up Equity Shares in Associate Company(Unquoted)</b>					
Parsvnath HB Projects Pvt. Ltd.	10	24020	240200	24020	240200
<b>Total-A (Trade)</b>		<b>24020</b>	<b>240200</b>	<b>34940</b>	<b>531890</b>
<b>B. OTHER THAN TRADE</b>					
<b>B.1 Investments in Equity Instruments Fully Paid up Equity Shares Quoted</b>					
Royal Orchid Hotels Ltd	10	496	81840	496	81840
RRB Securities Ltd.	10	86100	8610000	86100	8610000
Bellary Steel and Alloys Ltd.(*)	1	100000	458443	0	0
Hotline Glass Ltd.(*)	10	10000	34318	0	0
Jaiprakash Power Ventures Ltd. (*)	10	1943674	61627656	0	0
Mawana Sugar Ltd (*)	10	31083	372933	0	0
Shree Ram Urban Infrastructure Ltd. (*)	10	1000	261136	0	0
TCFC Finance Ltd. (*)	10	89469	3096324	0	0
<b>Unquoted</b>					
Harsai Investments Ltd	10	200000	2000000	200000	2000000
CHL (South) Hotels Ltd.(*)	10	100000	1000000	0	0
QR Properties Pvt Ltd (*)	10	5900	59000	0	0
HB Prima Capital Ltd. (*)	10	195000	282750	0	0
<b>B.2 Investments in Mutual Fund Unquoted Fully Paid up Units</b>					
Taurus Dynamic Income Fund (*)	10	7776	100000	0	0
<b>Total-(B) (Other Than Trade) (B1+B2)</b>		<b>2770498</b>	<b>77984399</b>	<b>286596</b>	<b>10691840</b>
<b>Grand Total - (A+B)</b>		<b>2794518</b>	<b>78224599</b>	<b>321536</b>	<b>11223730</b>

Aggregate amount of Quoted Investments ₹ 7,45,42,649/- ( Previous year ₹ 89,83,530/- ) and Market Value thereof ₹ 3,21,43,758/- ( Previous year ₹ 92,11,582/- )

Aggregate amount of unquoted Investment in shares ₹ 36,81,950/- ( Previous year ₹ 22,40,200/- )

In the opinion of management, no provision is required to be made for diminution amounting to ₹ 4,23,98,891/- (Previous Year Rs. Nil) in the value of the long term Investments as the same is temporary.

(\*) Acquired on amalgamation.

14. LONG TERM LOANS & ADVANCES

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Unsecured, Considered Good</b>		
Capital Advances	5443336	6527032
Security Deposits	5087450	5289200
<b>Total in ₹</b>	<b>10530786</b>	<b>11816232</b>

15. OTHER NON CURRENT ASSETS

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
Deposits with Banks*	84507388	134560383
<b>Total in ₹</b>	<b>84507388</b>	<b>134560383</b>

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



## HB ESTATE DEVELOPERS LIMITED

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

Particulars	As at 31 <sup>st</sup> March, 2015 (In ₹)	As at 31 <sup>st</sup> March, 2014 (In ₹)
Completed Construction (Real Estate)	135696216	158971170
Food & Beverages	8569167	8604348
Stores and Operating Supplies	38758860	40912822
<b>Total in ₹</b>	<b>183024243</b>	<b>208488340</b>

### 17. TRADE RECEIVABLES

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Unsecured, considered good</b>		
Outstanding for a period exceeding Six Months	182396	0
Others	33829831	21598672
<b>Total in ₹</b>	<b>34012227</b>	<b>21598672</b>

### 18. CASH & BANK BALANCES

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Cash &amp; Cash Equivalents</b>		
Cash-in-Hand	1112496	1048874
Balances with Banks		
- In Current and Deposit Accounts	44289233	47962394
Other Bank Balances		
- In Earmarked Dividend Accounts	6345202	7391951
<b>Total in ₹</b>	<b>51746931</b>	<b>56403219</b>

### 19. SHORT TERMS LOANS AND ADVANCES

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
<b>Unsecured, Considered Good</b>		
Loans and Advances to Related Party-Associate*	10894883	10894883
Inter Corporate Deposit including accrued interest	26508493	0
Prepaid Expenses/Expenses recoverable /Advances against supplies/Other recoverable	7445666	3037590
Property Tax, Service tax	5051998	7158073
Income Tax and Tax deducted at source	20170799	11035695
<b>Total in ₹</b>	<b>70071839</b>	<b>32126242</b>

\* To Parsvnath HB Projects Pvt. Ltd.

### 20. OTHER CURRENT ASSETS

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
Interest accrued but not due on Bank deposits	3148381	1273930
<b>Total in ₹</b>	<b>3148381</b>	<b>1273930</b>

### 21. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)	For the Year ended 31 <sup>st</sup> March 2014 (In ₹)
<b>Hotel</b>		
Room Income	304373442	196459425
Food & Beverages, Restaurant and Banquet Income	247407943	173150632
Others	25719989	17662101
<b>Real Estate</b>		
Sales	48375000	37026600
Other Operating Income*	5178148	5373312
<b>Financial Services</b>		
Profit/(Loss) on sale of Stock/Difference in Securities dealing/Derivative trading	14374909	0
<b>Total in ₹</b>	<b>645429431</b>	<b>429672070</b>

\* Includes Rental Income, Facility Charges and Other Claims

### 22. OTHER INCOME

Particulars	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)	For the Year ended 31 <sup>st</sup> March 2014 (In ₹)
Interest On Fixed Deposits with banks	10309042	10582671
Dividend Income on Non Current/ Long Term Investments	345178	187960
Interest on Loans and Deposits	2985277	0
Other Income	577044	819563
Exchange rate Variation	33722	45259
Provisions No Longer Required written back	1853278	0
Profit on sale of Fixed Assets	770028	0
<b>Total in ₹</b>	<b>16873569</b>	<b>11635453</b>

### 23. FOOD AND BEVERAGES CONSUMED

Particulars	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)	For the Year ended 31 <sup>st</sup> March 2014 (In ₹)
Opening Stock	8604348	4485077
Add : Purchases	55095672	49648571
Less : Closing Stock	8569167	8604348
<b>Total in ₹</b>	<b>55130853</b>	<b>45529300</b>

### 24. INCREASE/DECREASE IN STOCK-COMPLETED CONSTRUCTION

Particulars	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)	For the Year ended 31 <sup>st</sup> March 2014 (In ₹)
Opening Stock	158971170	176539845
Less : Closing Stock	135696216	158971170
<b>Total in ₹</b>	<b>23274954</b>	<b>17568675</b>

### 25. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)	For the Year ended 31 <sup>st</sup> March 2014 (In ₹)
Salaries and Benefits	74056713	52870909
Payment to Contractors	23643643	21755741
Reimbursement of expenses on personnel deputed to the Company	33694077	35559455
Contribution to Provident fund and other fund	3200243	4296407
Staff welfare	16945514	17058931
<b>Total in ₹</b>	<b>151540190</b>	<b>131541443</b>

### 26. FINANCE COSTS

Particulars	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)	For the Year ended 31 <sup>st</sup> March 2014 (In ₹)
Interest Expense	310476972	226051429
Loan Processing Fees	0	78748359
<b>Total in ₹</b>	<b>310476972</b>	<b>304799788</b>

### 27. OTHER EXPENSES

Particulars	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)	For the Year ended 31 <sup>st</sup> March 2014 (In ₹)
Rent	240000	0
Linen, Room, Catering & Other Supplies/Services	31964453	25636942
Facility Management Services	12104870	9141316
Legal & Professional	9319907	4649180
Payment to Orchestra Staff, Artists & Others	1654080	2246795
Communication	10105016	9482523
Commission to Travel Agents and Others	3520437	2722452
Advertisements	8899577	13901519
Printing & Stationery	4340554	3538983
Conveyance & Travelling	7433535	5593645
Repair & Maintenance :		
To Building	11930640	8813802
To Machinery	5488850	2883072
To others	13433509	8591402
Fuel, Power and Light	81383655	77320511
Water Charges	4009159	4791241
Listing Fee	112360	40000
Insurance	2310893	1816788



Particulars	For the Year ended 31 <sup>st</sup> March 2015	For the Year ended 31 <sup>st</sup> March 2014
	(In ₹)	(In ₹)
Subscription	1622822	2295501
Sitting Fees	564741	401000
Filling Fees for increase in Share Capital	4125000	
Miscellaneous	4633085	5089767
Vehicle Running & Maintenance	895461	791063
Licence Fees	4962164	4047544
Operating Fees	39913872	21272171
Auditors' Remuneration		
- Audit Fees	320226	250000
- Tax Audit Fees	56180	35000
- Tax Matters	31461	16200
- Certification & Others	85389	61500
Rates & Taxes	8803476	5218609
Discount to Collecting Agents	5964179	4630395
<b>Total in ₹</b>	<b>280229551</b>	<b>225278921</b>

**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 before exceptional items	-348432119	-456260105
Less: Exceptional Items	-102360036	8317285
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders after exceptional items	-450792155	-447942820
<b>Weighted Average Nos. of Equity Share Outstanding</b>	<b>16138287</b>	<b>12042292</b>
<b>Earning Per Share (face value of ₹ 10 each)</b>		
<b>Basic and diluted Earning per share (₹)</b>		
- Before Exceptional Items	-21.59	-37.89
- After Exceptional Items	-27.93	-37.20

**29. Other Notes**

**29.1 Scheme of Amalgamation:**

Pursuant to the Scheme of Amalgamation & Arrangement (the "Scheme") sanctioned by the Honorable High Court of Punjab & Haryana vide its order dated 15-09-2014, Pisces Portfolios Private Limited (herein after referred to as the "Pisces") merged with the Company with effect from April 1, 2012 (the "Appointed Date"). Pursuant thereto the entire business and all the assets and liabilities, duties and obligations of Pisces have been transferred to and vested in the Company with effect from April 1, 2012.

**- General Nature of Business of the amalgamating company:**

Pisces has been engaged in the business of sale/purchase of securities and financing. The Company was a non-banking financial Company ("NBFC") registered with Reserve Bank of India.

**- Accounting Treatment of amalgamation**

The amalgamation is accounted under the "Pooling of Interest" method as per Accounting Standard 14 and as modified under the scheme as under:-

All assets and liabilities (including contingent liabilities), reserves, duties and obligation of Pisces has been recorded in the books of accounts of the company at their existing carrying amounts and in the same form.

Accordingly the amalgamation has resulted in transfer of assets and liabilities in accordance with the terms of the scheme at the following summarised values:-

Particulars	Amount
<b>Assets</b>	
Fixed Assets (net)	5,282
Non-Current Investments	42,08,30,953
Long term loans and advances	37,63,88,750
Inventories	2,10,88,470
Cash and bank balances	1,85,621
Short term loans and advances	16,11,74,319
<b>Liabilities</b>	
Short Term Borrowings	(45,99,34,100)
Other Current liabilities	(16,28,609)
Short term Provisions	(4,12,43,362)
<b>Net Assets</b>	<b>47,68,67,324</b>
<b>Equity Shares issued pursuant to scheme of amalgamation</b>	<b>4,09,59,950</b>
<b>Amount credited to Capital Reserve</b>	<b>2,30,39,795</b>

The board of directors of company in its meeting held on December 12,2014 allotted 40,95,995/- equity shares of the company of the face value of ₹ 10/- each fully paid up to the shareholders of erstwhile 'Pisces' ranking pari-passu in all respects with the existing equity shares of the company. The shares have been allotted in the ratio of 64 equity shares of the company of ₹ 10/- each fully paid up in lieu of 100 equity shares of Rs. 10/- each fully paid up of erstwhile 'Pisces'.

- In terms of the scheme, the appointed date of the amalgamation being April 1,2012, net Loss of Pisces during financial years 2012-13 and 2013-14 aggregating to ₹ 17,98,69,994/- has been transferred to the Surplus in Statement of Profit and Loss.

As the Scheme has become effective from April 1,2012, the figures for the current year includes the operations of 'Pisces'. Accordingly, the figures of current year ended march 31,2015 are after giving effect to the amalgamation, while the comparative figures of previous year are before giving effect to the merger and, hence are not comparable.

**29.2 Contingent liability in respect of:**

- (a) 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.

- (b) Income tax demand for which rectification/appeal has been filed with the appropriate authorities- ₹ 9,43,640/- (previous year ₹ 8,93,376/-).

- (c) 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 14<sup>th</sup> 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 4<sup>th</sup> 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.

- (d) Claim against the company not acknowledged as debt ₹ 2,77,55,293/- (Previous Year ₹ 2,77,55,293/-)

- (e) Letter of Credit/Bank guarantee issued by bank ₹ 6,38,69,032/- (previous year ₹ 10,86,70,032/-).

**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**

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





## HB ESTATE DEVELOPERS LIMITED

### 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	3341811	Nil	Nil	Nil	Nil
	(3759971)	(Nil)	(Nil)	(Nil)	(Nil)
Sitting Fee	Nil	50000	Nil	Nil	Nil
	(Nil)	(60000)	(Nil)	(Nil)	(Nil)
Rent Received	Nil	Nil	753744	2153040	Nil
	(Nil)	(Nil)	(753744)	(2153040)	(Nil)
Rent Paid	Nil	240000	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Sale of Investment through them	Nil	Nil	210948403	Nil	Nil
	(Nil)	(Nil)	(18068187)	(Nil)	(Nil)
Purchase of Investment through them	Nil	Nil	16635678	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Net Turnover of Derivative Trading/Share Trading	Nil	Nil	9040349	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
DP Charges paid	Nil	(Nil)	Nil	123349	Nil
	(Nil)	(Nil)	(Nil)	(5682)	(Nil)
Dividend paid	Nil	Nil	Nil	Nil	Nil
	(Nil)	(3707237)	(Nil)	(203089)	(Nil)
Interest paid on Loan	Nil	Nil	Nil	10800000	Nil
	(Nil)	(Nil)	(Nil)	(10800000)	(Nil)
Repayment of Advances/ Margin during the year (Net)	Nil	Nil	41150000	146500000	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	Nil
Interest Paid on Margin Funding during the year	Nil	Nil	2623259	1419540	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	Nil
Advance/Margin received during the year(Net)	Nil	Nil	3453179	4500000	Nil
	(Nil)	Nil	(Nil)	(Nil)	(Nil)
Outstanding in respect of Loan including interest accrued as on 31.03.2015 (Payable)	Nil	Nil	Nil	92396712	Nil
	(Nil)	(Nil)	(Nil)	(94846685)	(Nil)
Outstanding in respect of Advance received	Nil	Nil	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 ₹ 23,96,712/- (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.

29.3(d) The above transactions also include transactions of erstwhile Pisces Portfolios Pvt. Ltd. with its related parties which though may not be related parties of the company.

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

Particulars	As at 31 <sup>st</sup> March 2015 (In ₹)	As at 31 <sup>st</sup> March 2014 (In ₹)
Stores and Operating Supplies	1618162	549909
Capital Goods	3201363	3225835

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

Particulars	Year ended 31 <sup>st</sup> March 2015 (In ₹)	Year ended 31 <sup>st</sup> March 2014 (In ₹)
Travelling	Nil	426517
Professional & Technical Fees	3636147	2700441
Advertisement	3823580	4031201
Others	2528167	1664420

### (c) Earning in Foreign Currency:

Particulars	Year ended 31 <sup>st</sup> March 2015 (In ₹)	Year ended 31 <sup>st</sup> March 2014 (In ₹)
Sale/revenue	190284238	127088790

- (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	Nil	633
No. of equity Shares held by them	Nil	108115
i) Amount of Dividend paid (Gross) (₹)	Nil	54058
ii) Tax Deducted at Sources	Nil	Nil
iii) Year to which dividend relates	Nil	2012-13

### 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	1505820	1189518	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)	2231671	1332107	845757	895989
Adjustment for increase (decrease) in opening obligation (B)	Nil	Nil	Nil	Nil
Interest Cost (C)	178534	107845	67661	80639
Current service cost (D)	859111	608051	779072	285822
Benefits paid (E)	-93462	-569424	-274952	-441226
Actuarial loss/ (gain) on obligation (F)	-1213759	753092	102535	24533
Present value of obligations as at the end of the year (G=A+B+C+D-E+F)	1962095	2231671	1520073	845757



(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)	1962095	2231671	1520073	845757
Estimated fair value of plan assets (B)	59831	117633	Nil	Nil
Net Liability (C=A-B)	1902264	2114038	1520073	845757
<b>Amounts in the Balance Sheet</b>				
Liabilities	1902264	2114038	1520073	845757
<b>Amount charged to Profit &amp; Loss Account</b>				
Current Service Cost	859111	608051	779072	285822
Interest Cost	178534	107845	67661	80639
Expected Return on Plan Asset	-11649	-42648	Nil	Nil
Actuarial(Gain)/Loss	-1213759	753092	102535	24533
Adjustment	0	0	3265	0
	-187763	1426340	952533	390994
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	11649	42648

(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	117633	637756
Expected Return on Plan Assets	11649	42648
Actuarial Gains / (Losses)	Nil	Nil
Contribution by the Employer	24011	6653
Benefits Paid	93462	569424
Closing Fair Value of Plan Assets	59831	117633

**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	6967 (24608)	438952 (1501014)
	GBP	Nil (1550)	Nil (154767)

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 31.03.2015	Max. Balance outstanding during the year	Outstanding Balance as on 31.03.2014	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	10894884	1089488	10894884	10894884
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

29.8 Detail of consumption of imported and indigenous items:

Particulars	Current Year		Previous Year	
	Amount	% of consumption	Amount	% of consumption
<b>(i) Raw Materials</b>				
Imported	0	0.00	77788	0.17
Indigenous	55130853	100.00	45451512	99.83
<b>Total</b>	<b>55130853</b>	<b>100.00</b>	<b>45529300</b>	<b>100.00</b>

Particulars	Current Year		Previous Year	
	Amount	% of consumption	Amount	% of consumption
<b>(ii) Stores and Supplies</b>				
Imported	1618162	5.06	1793628	7.00
Indigenous	30346291	94.94	23843314	93.00
<b>Total</b>	<b>31964453</b>	<b>100.00</b>	<b>25636942</b>	<b>100.00</b>

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

The company generally enters into cancellable operating lease of office premises and residence of the employees normally renewable on expiry. Lease payments amounting to ₹ 75,20,174/- (Previous Year ₹ 67,13,597/-) made under operating lease have been recognized as an expense.

29.10 Pending Litigations:

The Contingent liability in respect of pending litigations is disclosed in note no. 29.2 (a),(b)(c) and (d). In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that the above legal claims and proceedings, when ultimately concluded and decided will have a material and adverse effect on the company's results of operations or financial statements.

29.11 The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

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

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  
DIN:00002373

ANIL GOYAL  
Director  
DIN:00001938

PLACE : GURGAON  
DATED : 30.05.2015

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:

- Name.....Address.....  
Email.....Signature.....or failing him
- Name.....Address.....  
Email.....Signature.....or failing him
- 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 **21<sup>st</sup> ANNUAL GENERAL MEETING** of the Company to be held on **Tuesday, September 22nd, 2015** 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:

- Adoption of Audited Financial Statements for the financial year ended March 31, 2015 together with the reports of the Directors' and Auditors' thereon.
- Re-appointment of Mr. Lalit Bhasin.
- Appointment of M/s. P.Bholusaria & Company, Chartered Accountants, Statutory Auditors and fixing their remuneration.

### Special Business:

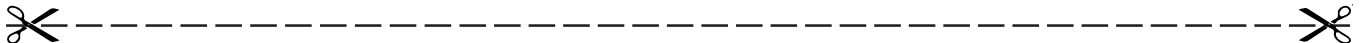
- Appointment of Mr. Luv Malhotra as an Independent Director.

Signed this \_\_\_\_ day of \_\_\_\_\_, 2015

Signature of the Shareholder \_\_\_\_\_ Signature of Proxyholder(s) \_\_\_\_\_

### Notes:

- 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

### 21ST ANNUAL GENERAL MEETING

Time : 11.00 A.M., 22<sup>nd</sup> day of September, 2015  
 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 21<sup>st</sup> Annual General Meeting held on Tuesday, 22<sup>nd</sup> day of September, 2015 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.

# ROUTE MAP OF GIA HOUSE

