HDIL Creating Value

Microstructures | Megastructures | Infrastructure

Housing Development and Infrastructure Ltd.

21st ANNUAL REPORT 2016-17

Housing Development and Infrastructure Limited

Contents

From *Affordable Housing* to *Residential Townships* and *Premium Commercial Projects,*

HDIL has a prominent presence in every segment of the real estate business.

HDIL is among the top-five listed real estate companies in India. Over the last four decades, the group has done pioneering work in the area of affordable housing. While all real estate companies focus on building, we have also focused on land, especially in Mumbai where over 60% of habitable land is occupied by slums. By creating a model for rehabilitating slums, we have freed up land for housing and infrastructure projects such as roads, pipelines and, most recently, the Mumbai airport expansion project which is probably the largest rehabilitation project of its kind in the world. HDIL caters to a diverse set of customers and this is reflected in our portfolio which features premium commercial projects, townships for housing India's burgeoning middle class families and affordable housing for the bottom of the pyramid.

Chairman's Communiqué....

Dear Stakeholders,

**"But there's a big difference between 'impossible' and 'hard to imagine'
The first is about it; the second is about YOU!"**

- Marvin Minsky

It is my honour and privilege to interact with you as the Chairman of Housing Development and Infrastructure Limited and great pleasure to share with you the key highlights of the Company's performance during the Financial Year 2016-17.

Your Company delivered a steady performance during the year in the backdrop of a persistently sluggish demand environment, continuing pressure on the Real Estate and Infrastructure Industry, due to higher cost of funding, cumulative impact of sharp hike in input costs and gestation costs relating to approvals for new projects, the operating environment was rendered particularly challenging in the second half of the year with the currency crunch impacting the incipient recovery in demand.

F.Y. 2016-17 has been fairly satisfactory and encouraging in terms of Company performance despite the uncertainties caused during the year which marked a big effect on Economy. The impact that left its mark on each and every sector of the domestic economy was sudden announcement of demonetisation in November 2016 and the implementation of the Goods and Services Tax (GST) in July this year. Introduction of both these measures will have long term impact on the economy and only time will prove its real value to the economy.

As we all were aware of the fact that, Indian economy was largely cash driven with substantial transactions taking place in cash and very marginal percentile in digital transactions. With the decision of demonetization, Investment power of consumers has been negatively affected due to cash not being readily available. Consequential to this, cash-sensitive sectors like Small Scale Industries and real estate sector suffered heavily during the second half of the year. Bank changed main focus on the single task i.e deposit and withdrawals; with the result that their core function of lending was adversely affected, which again added adversity to Real estate as all stakeholders in this sector are financed by them. Now, looking at the GST prospectus, the Real Estate Sector has brought to some relief on the implementation of GST. Supply chain mechanism in real estate sector has revamped, as cascading effect in the tax was reaped off. Currently, the sale of land and buildings have been kept out of the ambit of GST and hopefully expected to be continued in future too. Construction of land and building will benefit from the rates declared for cement, bricks, and iron under GST, but looking at the rate specified, real estate sector is expected to be neutral. In the phase of major challenges, we made a significant progress.

The Company has successfully Registered its ongoing Projects under The Real Estate (Regulation and Development) Act 2016 which came into force with effect from May 1, 2017. Looking ahead to 2018, we will need to work harder to execute the strategies in the face of uncertain economic conditions confronting our business, and by the upcoming years your Company will launch many affordable housing projects which will strengthen Company's financial Position and flourish its arena of operations. Presently, Your Company is one of the largest developer and land bank owner in Mumbai Metropolitan Region. Mumbai has witnessed many changes in urban infrastructure landscape and effective measures are needed to adapt to such changes.

FINANCIAL PERFORMANCE

Company follows project completion method and financial performance comparison will not be appropriate. However for the record, Company recorded:-

- The Turnover of ₹ 74,617.74 Lacs as against ₹ 1,19,239.50 Lacs in the previous year.
- The Company's Profit from operations for the year ended March 31, 2017 is ₹ 20,856.28 Lacs as against ₹ 28,642.35 Lacs in the previous year.
- The Net Profit for the year is ₹ 17,524.58 Lacs as against ₹ 34,035.15 Lacs in previous year.

“BUDGET HOMES”- A MILESTONE ADDED TO AFFORDABLE HOUSING SEGMENT:-

We would like to take this opportunity to address you that, in line with the vision & mission of “Housing for All” by 2022 for “MAKE IN INDIA” concept, the Company launched “Budget Homes” in affordable housing segment in Mulund - Mumbai which provide 1BHK at ₹ 45 Lacs, and the same has been receiving very good response. So far the company has received booking for 239 flats as compared to 243 flats in total of Budget Homes which itself is a overwhelming vibes. In rapidly growing country like India with a large young population needs more homes at affordable price points which in turn, would enable more households to become homeowners. “Budget Homes” is a wish to conquer their dream of homeowner.

The thrust given to affordable housing has been extremely encouraging. Developers, specially your Company can now avail a 100% tax deduction on profits and gains if they construct affordable housing units. No other major sector of the economy has been given such attractive incentives. Further, infrastructure status for affordable housing has open up more avenues of lower Cost, longer tenor funding in the Real Estate Sector.

Last but not the Least, I wish to express sincere thanks to all my shareholders, Board of Directors, bankers, business partners, Government agencies, contractors and customers for their continued support and faith reposed in the Company. I also place on record my deep appreciation to all employees for their hard-work and dedication.

I would also take this opportunity to acknowledge that your Company is upholding responsibility for the environment and promoting well-being of all stakeholders including employees, customers and society at large.

Regards,

Rakesh Kumar Wadhawan

Executive Chairman

A Luxurious Lifestyle Beckons at Whispering Towers, Mulund (W).

Welcome to a lifestyle of utmost admiration and grandeur, set amid blissful views of the Yeoor hills on one side and the Airoli creek on the other. From well-appointed residences to mesmeric indoor and outdoor amenities, it offers one of the finest addresses in the vicinity. Be rest assured, it's an address everyone will look up to.

- Club House
- Swimming Pool
- Gazebos
- Sun Decks
- Indoor Gym
- Reflexology Walk
- Yoga Room
- Herb Garden
- Indoor Games Room
- Net Cricket Pitch
- Basketball Court
- Amphitheater
- Jogging Track
- Toddler Play Area
- Skating Rink
- Kids Play Area
- Play Lawn
- Meditation Garden
- Discovery Pond
- Forest Walk
- Squash Court with Balcony
- Pet Walk
- Tennis Court
- Artist Zone
- Car wash facility
- Business center

The Nest, Mulund (W)
Buying your Home is now even easier

(Original Construction Project Photo)

Answer to the need of Mumbaikars, for affordable housing, in and around the city-Mumbai. Homes made especially for the people, with every modern amenity required for urban living. High on Convenience and Amenities, as well as High on connectivity.

- Cosmopolitan Neighborhood
- Kids Play Area
- Multipurpose Hall
- Parking Available
- Consumer-friendly Designed Units
- Health Club
- Carom, Chess & Library Room

High on Connectivity:
Mulund Station 2 KM
Fortis Hospital 2 KM
Eastern Express Highway 3 KM
D-Mart 2KM

Majestic Towers, Nahur (W).
If Life Had A Majestic Address, This Would Be It!

Thoughtfully planned in proximity to nature and embellished with contemporary amenities, Majestic Towers are well poised to offer the lifestyle of tomorrow. It's a place where well-appointed residences share space with a host of enticing amenities.

- Club House
- Swimming Pool
- Gazebos
- Sun Decks
- Indoor Gym
- Reflexology Walk
- Yoga Room
- Herb Garden
- Net Cricket Pitch
- Basketball Court
- Amphitheater
- Jogging Track
- Toddler Play Area
- Skating Rink
- Kids Play Area
- Meditation Garden
- Squash Court with Balcony
- Tennis Court
- Artist Zone

Paradise City, Palghar.

(Original Construction Project Photo)

A golden opportunity to buy a dream home for people working in and around Palghar. The self-sufficient township has been meticulously planned providing access to everyday needs of its residents. A dream come true for those who wish to enjoy life in the lap of nature and pollution free atmosphere.

- Mega township across 160 acres
- Just 2 ½ Kms from Palghar station
- Shopping centers, Market and Multiplex
- Club house and Gymnasium
- Jogging track and Landscape gardens with children's play area
- Hospital and Educational establishments
- Local train connectivity
- Rain water harvesting
- Sewage treatment plant
- 18 lac liters water storage tank
- Concealed electrical copper wiring
- R.C.C framed structure
- Elegantly designed entrance
- Anodized sliding window
- All buildings with good quality acrylic paint on external surface
- Oil bond distemper in all rooms
- Granite platform in kitchen
- Glazed tiles above kitchen platform
- Glazed tiles above kitchen platform
- Exhaust fan provision in kitchen
- Full glazed tiles in W.C and bath area

The Meadows, Goregaon (W).

Enjoy the comfort of living in a pleasant and tranquil environment where anything and everything that you require for a comfortable daily living is available in close proximity. What makes The Meadows distinct from other real estate properties is that it is affixed with world-class facilities that will simplify your life and give you more time to spend with family and friends. With a serene vista to savor from a height, The Meadows is essentially a real estate project that gives you the best housing comfort with a natural ambiance.

- Power Back Up
- Modular Sockets and Switches
- Generator for Lift
- Generator Backup
- Concealed Copper Wiring
- Ceramic Tiles
- Branded C.P. Fittings
- Anti-skid Ceramic Tiles
- Vitrified Tile Flooring
- Sliding (French) Windows
- Designer POP Cornices
- Anodised Aluminium Glazing
- Stainless Steel Sink
- Granite Working Top
- Elevators
- Entrance Lobby with Reception and Waiting Area
- Decorated Entrance Lobby
- Intercom – Amongst Residents

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Members of **HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED,** will be held on Friday, September 29, 2017 at 11:00 A.M (IST) at Mumbai Cricket Association Recreation Centre ("MCA"), G - Block, RG-2, Near Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Audited Financial Statements:**

   To consider and adopt the standalone as well as the consolidated financial statements of the Company for the year ended March 31, 2017 together with the Report of the Board of Directors and the Auditors thereon.

2. **Appointment of Statutory Auditors:**

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

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") and the Companies (Audit and Auditors) Rules, 2014 ("**the Rules**") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon recommendation of the Audit Committee, Ms. Rajeswari & Associates, Chartered Accountants (Firm Registration Number: 123005W), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Auditor, in terms of the provisions of Section 141 of the Act and the Rules, be and are hereby appointed as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting ("**AGM**") until conclusion of the twenty sixth AGM of the Company, at such remuneration plus taxes, as may be mutually agreed upon by the Executive Chairman of the Company and the Auditors."

SPECIAL BUSINESS:

3. **Ratify the remuneration to Cost Auditors:**

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Ketki D. Visariya & Co., Cost Accountants (Firm Registration Number: 00362), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company, be paid a remuneration for the financial year ending March 31, 2018, amounting to ₹ 1,00,000/-, re-imbursement of out-of-pocket expenses incurred plus applicable taxes as applicable in connection with the aforesaid audit.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

4. **To consider preferential allotment of Convertible Warrants:**

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**"), read with the relevant rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("**SEBI SAST Regulations**") and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of any statutory/regulatory authorities, Stock Exchange(s), SEBI, institutions or bodies, as may be required and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of them while granting such consent(s), permission(s) or approval(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**the Board**" which terms shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this Resolution), consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, upto 2,00,00,000 (Two Crore) convertible warrants on preferential basis to Mr. Sarang Wadhawan, Promoter of the Company ("**Warrant Holder**"/"**Proposed Allottee**"), entitling the Warrant Holder to apply for and get allotted one equity share of the face value of ₹ 10/- each fully paid-up against every Warrant held (hereinafter referred to as the "**Warrants**"), within a period of 18 (eighteen) months from the date of allotment of Warrants, in such manner, at such price not being less than the price as may be arrived at in accordance with SEBI ICDR Regulations and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the provisions of SEBI ICDR Regulations, or other applicable laws in this respect.

   RESOLVED FURTHER THAT the aforesaid issue of the Warrants shall be on the following terms & conditions:

   i. The 'Relevant Date' in relation to this preferential issue of Warrants will be in accordance with the provisions of Regulation 71 of SEBI ICDR Regulations.

   ii. In accordance with the provisions of Regulation 77 of SEBI ICDR Regulations, 25% (Twenty Five Percent) of the consideration payable for the Warrants, shall be paid by the Warrant Holder to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy Five Percent) shall be paid at the time of allotment of equity shares pursuant to exercise of option against each such Warrant.

   iii. In accordance with the provisions of Regulation 75 of SEBI ICDR Regulations, the tenure of Warrants shall not exceed 18 (eighteen) months from the date of allotment.

   iv. The Warrant Holder shall be entitled to exercise any or all of the warrants in one or more tranches by way of a written notice to the Company, specifying the number of warrants proposed to be exercised along

with the aggregate amount thereon, without any further approval from the shareholders prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of shares to the Warrant Holder.

v. If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period of 18 (eighteen) months, the entitlement of the Warrant holder to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited.

vi. In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, Warrant Holder: (i) receives such number of Equity Shares that Warrant Holder would have been entitled to receive; and (ii) pays such consideration for such Equity Shares to the Company which Warrant Holder would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring.

vii. Upon exercise by Warrant Holder of the Warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Warrant Holder, evidence of the credit of the Equity Shares to the depository account of Warrant Holder and entering the name of Warrant Holder in the records of the Company (including in the Register of Members of the Company) as the registered owner of such Equity Shares.

viii. Subject to applicable laws, it is hereby expressly agreed that where pursuant to a scheme of arrangement, a Company issues shares or similar securities to the Company's shareholders, then Warrant Holder shall be entitled to receive in lieu of the Warrants held by Warrant Holder such number of shares, warrants or similar securities issued by such company, on the same terms and conditions and with the same rights as the Warrants, and at such effective price that Warrant Holder would have been entitled to receive immediately after the occurrence of such scheme of arrangement had the Warrants been exercised immediately prior to the occurrence of such scheme of arrangement.

ix. The Warrants by itself until exercised and equity shares allotted, does not give to the Warrant Holder thereof any rights with respect to that of a shareholder of the Company.

x. In accordance with the provisions of Regulation 78 of SEBI ICDR Regulations, the pre-preferential allotment shareholding of the Proposed Allottee shall be locked-in for a period of 6 Months from the date of trading approval.

RESOLVED FURTHER THAT the equity shares allotted on exercise of warrants in terms of this Resolution shall rank pari passu in all respects (including as to entitlement to voting powers and dividend) with the then existing fully paid-up equity shares of face value of ₹ 10/- each of the Company, subject to the relevant provisions contained in the Articles of Association of the Company.

RESOLVED FURTHER THAT all or any of the powers conferred on the Company and the Board of Directors vide this Resolution may be exercised by the Board or Finance Committee of the Board (with power to delegate to any Officer of the Company), as the Board or such Finance Committee, for the purpose of giving effect to this Resolution, may in its absolute discretion deem necessary, desirable or expedient, including the Listing Application to the Stock Exchange(s), filing of requisite forms with Registrar of Companies and to resolve and settle any questions and difficulties that may arise in the proposed offer, issue and allotment of aforesaid securities, utilization of issue proceeds, signing of all deeds and documents as may be required and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the Members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

5. To consider fund raising programme of the Company:

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 41, 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") (including any statutory modifications or re-enactment(s) thereof for the time being in force) as amended from time to time, the Foreign Exchange Management Act, 1999 ("**FEMA**"), as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended and Depository Receipts Scheme, 2014, rules, regulations, guidelines, notifications and circulars prescribed by the Securities and Exchange Board of India ("**SEBI**") including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**ICDR Regulations**") as amended, the Reserve Bank of India ("**RBI**") and the Government of India ("**GOI**") and/or any other competent authorities as may be required and clarifications, if any, issued thereon from time to time, the equity listing agreements entered into by the Company with the stock exchanges where the Company's equity shares of face value of ₹ 10/- each (the "**Equity Shares**") are listed, as per the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and subject to any approval, consent, permission and/or sanction of GOI, SEBI, RBI and the stock exchanges, as may be required, and the enabling provisions of the Memorandum of Association and the Articles of Association of the Company and subject to all other necessary approvals, permissions, consents and/or sanctions of the concerned statutory and other relevant authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "**the Board**", which term shall include any committee thereof constituted/to be constituted by the Board to exercise its powers including powers conferred by this Resolution to the extent permitted

by law), consent, authority and approval of the Members is hereby accorded to create, offer, issue and allot in one or more tranches, in the course of domestic and/or international offering(s) in one or more foreign markets, by way of a public issue, private placement or a combination thereof of the Equity Shares or through an issuance of the Global Depository Receipts ("**GDRs**"), the American Depository Receipts ("**ADRs**"), the Foreign Currency Convertible Bonds("**FCCBs**"), fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares and/or any other financial instruments or securities convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether denominated in rupee or in foreign currency (hereinafter collectively referred to as the ("**Securities**") or any combination of Securities to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), foreign institutional investors, promoters, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, employees of the Company and/or any other categories of investors, whether they be holders of shares of the Company or not (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), (collectively called the "**Investors**") at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary as may be decided by the Board in its absolute discretion at the time of issue of Securities in one or more offerings/tranches, such that the total amount including premium raised through the aforesaid Securities should not exceed USD 150 million (150 Million United States Dollars) in one or more currencies.

RESOLVED FURTHER THAT Sections 41, 42, 62 and other applicable provisions, if any, of the Act, Chapter VIII of the ICDR Regulations, the FEMA and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, consent, authority and approval of the Members be and is hereby accorded to issue, offer and allot Equity Shares, securities convertible into Equity Shares or non-convertible debentures along with warrants such that the total amount including premium raised should not exceed USD 150 million (150 Million United States Dollars), as specified in the preceding Resolution, to the qualified institutional buyers (as defined in the ICDR Regulations) pursuant to a qualified institutions placement in accordance with Chapter VIII of the ICDR Regulations.

RESOLVED FURTHER THAT in case of issue of the Securities by way of the qualified institutions placement to the qualified institutional buyers in accordance with Chapter VIII of the ICDR Regulations, the "relevant date" shall mean the date of the meeting in which the Board or a Committee of the Board decides to open the proposed issue of Securities and at such price as applicable in accordance with the provisions of the ICDR Regulations.

RESOLVED FURTHER THAT in case of a qualified institutions placement, in terms of the provisions of the ICDR Regulations, the Board may, at its absolute discretion, issue Equity Shares (including upon conversion of the Securities) at a discount of not more than such percentage as permitted under applicable regulations to the 'floor price' as determined in terms of the ICDR Regulations.

RESOLVED FURTHER THAT:

a. the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;

b. the relevant date for the purposes of determining the floor price of the Securities would be in accordance with the guidelines prescribed by SEBI, RBI, GOI through its various departments, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable adjustments in the applicable rules/guidelines/statutory provisions and

c. The Equity Shares that may be issued by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT the issue of Equity Shares underlying the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

a. in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Securities, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the Equity Share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro rata;

b. in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Securities, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

c. in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted and

d. in the event of consolidation and/or division of outstanding shares into smaller number of shares (including by the way of stock split) or re-classification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or

the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., with such agencies and to seek the listing of such Securities on one or more recognised (national and international) stock exchange(s).

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion, redemption or cancellation of the Securities or as may be necessary in accordance with the terms of the issue/offering and all such Equity Shares shall rank pari passu with the existing Equity Shares in all respects, except the right as to dividend which shall be from the relevant financial year in which they are allotted and/or as provided under the terms of the issue or as contained in the relevant offering documents.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s)/offering(s), including the type of Security(ies) to be issued and allotted, the class of investors to whom the Securities are to be offered/issued and allotted, number of Securities to be issued and allotted in each tranche, issue price, face value, number of Equity Shares or other securities upon conversion or redemption or cancellation of Securities, premium or discount amount on issue/conversion of Securities/exercise of warrants/redemption of Securities/ rate of interest/period of conversion or redemption, listings on one or more stock exchanges in India and/or abroad and fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s)/offering(s), allotment and conversion of any of the aforesaid Securities, utilization of issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee of directors or any executive director or directors or any other officer or officers of the Company to give effect to the aforesaid Resolution."

6. To consider payment of Commission to Non-Executive Directors:

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

"RESOLVED THAT pursuant to provisions of Section 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, thereon or any statutory modification(s) or re-enactment thereof and the Articles of Association of the Company and subject to the approval of the Members and applicable statutory approval(s), consent of the Board be and is hereby accorded for making payment of Commission up to 1% of the net profit to Non-Executive Directors of the Company subject to maximum amount of ₹ 1,81,81,000/- (Rupees One Crore Eighty one lakh and eighty one thousand only) annually, in such proportion as may be decided by Board of Directors for three financial years commencing from 2017-18 upto financial year 2019-20."

7. To re-appoint Mr. Rakesh Kumar Wadhawan (holding DIN : 00028573) as a Whole-time Director, Designated as Executive Chairman:

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

"RESOLVED THAT subject to the approval of the members in the ensuing Annual General Meeting and in accordance to provisions of the Section(s), 152, 196, 197 and 203 read with Schedule V and all other applicable provisions and rules, if any, of The Companies Act, 2013 ("**The Act**") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for time being in force) and such other consents, approvals and permissions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities while granting such approvals, permissions and sanctions, and pursuant to the approval of the Board of Directors at their meeting held on May 30, 2017, approval of the Company be and is hereby accorded for re-appointment of Mr. Rakesh Kumar Wadhawan (holding DIN : 00028573) as Whole-time Director designated as "Executive Chairman" of the Company for a period of five years with effect from April 1, 2018 on such salary and perquisites as are set out in the explanatory statement annexed hereto with a liberty to the Board of Directors to alter and vary the terms and conditions of the re-appointment and remuneration.

RESOLVED FURTHER THAT the aggregate of remuneration in any financial year shall not exceed the limit prescribed under Section(s) 197 and 198 and other applicable provisions of The Act, read with Schedule V of the said Act as amended from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year of the Company the remuneration and perquisites set out in the requisite agreement with Mr. Rakesh Kumar Wadhawan, Whole-time Director designated as "Executive Chairman" as minimum remuneration provided that, the total remuneration by way of salary, perquisites and any other allowance shall not exceed the ceiling provided in Section II of Part II of Schedule V or such other amount and perquisites as may be provided from time to time, if any or any statutory re-enactments thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments as may be required and to delegate all or any of its powers herein conferred to any committee of Directors to give effect to the aforesaid resolution."

By order of the Board of Directors

Darshan D. Majmudar
Chief Financial Officer and Company Secretary

Place: Mumbai
Date: May 30, 2017

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to the Special Businesses mentioned in the accompanying notice:

ITEM NO. 3

The Board on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Ketki D. Visariya & Co., Cost Accountants ("**Cost Auditors**"), to conduct the audit of the cost records of the Company for the Financial Year ("F.Y.") ending March 31, 2018.

In terms of the provisions of Section 148 of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the F.Y. ending March 31, 2018, as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Directors, or their relatives, or KMP of the Company are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3.

Accordingly, your Directors commend the **Ordinary Resolution** for the approval of the Members for ratification of remuneration payable to the Cost Auditors.

ITEM NO. 4

With a view to consolidate and infuse long term working capital in the Company, the Board of Directors of the Company, at its Meeting held on Tuesday, May 30, 2017, approved the issue up to 2,00,00,000 (Two Crore) Warrants, convertible into equivalent number of Equity Shares of ₹ 10/- each to Mr. Sarang Wadhawan, Promoter of the Company ("Warrant Holder/Proposed Allottee") on preferential basis, in one or more tranches, at a price which shall not be less than the minimum price as may be arrived at in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations**"), as amended from time to time.

Pursuant to the provisions of Sections 62(1)(c) and 42 of Companies Act, 2013 ("**the Act**") any preferential allotment of Securities needs to be approved by the Members of the Company by way of a Special Resolution. Further, in terms of Regulation 73 of the SEBI ICDR Regulations, certain disclosures are required to be made to the Members of the Company which forms part of this Explanatory Statement:-

Details of the Issue:

1. The allotment of the Warrants is subject to the Proposed Allottee not having sold any equity shares of the Company during the 6 (Six) months preceding the Relevant Date. The Proposed Allottee has affirmed that the said allottee has not sold any equity shares of the Company during the 6 (Six) months preceding the Relevant Date.

2. The relevant disclosures as required under Chapter VII of the SEBI ICDR Regulations are set out below:

   a) **Objects of the Preferential Issue:**

   The proceeds of the preferential issue of Warrants will be utilized by the Company to consolidate and infuse long term working capital in the Company.

   b) **Proposal of the Promoters/Directors/Key Managerial Personnel of the Company to subscribe to the preferential issue:**

   The preferential issue is being made to Mr. Sarang Wadhawan, Promoter of the Company.

   c) **Shareholding pattern of the Company before and after the preferential issue:**

Category of Shareholders	Pre-Issue Shareholding as on May 30, 2017		*Post-Issue Shareholding after issue of equity shares under the proposed preferential issue	
	No. of Shares held	% of Share-holding	No. of Shares held	% of Share-holding
Promoter & Promoter Group:				
Individual/ HUF	36,659,115	8.45	5,66,59,115	12.48
Bodies Corporate	11,18,94,645	25.78	11,18,94,645	24.65
Promoter's Relatives	97,97,506	2.26	97,97,506	2.16
Total Shareholding of Promoter & Promoter Group	**15,83,51,266**	**36.49**	**17,83,51,266**	**39.28**
Public Shareholding of Institutions:				
Mutual Funds	54,80,094	1.26	54,80,094	1.21
Banks/FI	5,62,783	0.13	5,62,783	0.12
Insurance Companies	1,47,857	0.03	1,47,857	0.03
FIIs	19,46,96,034	44.86	19,46,96,034	42.88
Sub Total	**20,08,86,768**	**46.29**	**20,08,86,768**	**44.25**
Public Shareholding of Non-Institutions				
Bodies Corporate	1,30,40,931	3.00	1,30,40,931	2.87
Individual	5,58,40,013	12.87	5,58,40,013	12.30
Non Resident Indians	19,51,389	0.45	19,51,389	0.43
Clearing Members	39,27,948	0.91	39,27,948	0.87
Trusts	5,658	0.00	5,658	0.00
Overseas Corporate Bodies	13	0.00	13	0.00
Sub Total	**7,47,65,952**	**17.23**	**7,47,65,952**	**16.47**
Total Shareholding	**43,40,03,986**	**100**	**45,40,03,986**	**100**

**Assuming exercise by the Proposed Allottee of all the Warrants.*

   d) **The time within which the preferential issue shall be completed:**

   As required under the SEBI ICDR Regulations, the allotment of the Warrants on preferential basis will be completed within a period of 15 days from the date of passing of the Special Resolution. Provided that where any approval or permission by any regulatory or statutory authority for allotment is pending, the allotment of the Warrants shall be completed within 15 days from the date of receipt of such approval or permission.

   e) **Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottee, the percentage of post-preferential issued capital that**

may be held by the said allottee and change in control, if any, in the Company consequent to the preferential issue:

Name of the Allottee	Ultimate Beneficial Owners	Pre-Issue Equity Holding		No. of Warrants to be allotted	Post-Issue Holding (after exercise of Warrants)*	
Mr. Sarang Wadhawan	Mr. Sarang Wadhawan	1,91,59,115	4.41	2,00,00,000	3,91,59,115	8.63

**The above figures are estimated and to be based on price determined under SEBI ICDR guidelines and assuming exercise by the Proposed Allottee of all the Warrants.*

There will not be any change in control of the Company pursuant to the issue of Warrants.

f) **Relevant Date:**

The Relevant date for the purpose of this issue shall be Tuesday, August 29, 2017, being the date 30 days prior to the deemed date of passing of Special Resolution by the Members of the Company in its 21st AGM to approve the proposed preferential issue, in accordance with the SEBI ICDR Regulations.

g) **Basis or Justification of Price:**

The issue price will be determined in accordance with Regulation 76 of the SEBI ICDR Regulations. Since the Company is listed on both BSE Limited and National Stock Exchange of India Limited, the trading volume of Securities of the Company on both the Stock Exchanges will be considered to determine the higher trading volume for computation of issue price. The issue of equity shares arising out of exercise of Warrants issued on preferential basis shall be made at a price not less than higher of the following or as per the law prevailing at the time of allotment of Warrants:

i. the average of the weekly high and low of the closing prices of the equity shares quoted on a recognized Stock Exchange during the 26 weeks preceding the Relevant Date; or

ii. the average of the weekly high and low of the closing prices of the equity shares quoted on a recognized Stock Exchange during the 2 weeks preceding the Relevant Date.

The 'Recognized Stock Exchange' referred to above means any of the recognized Stock Exchanges in which the equity shares of the Company are listed and in which the highest trading volume in respect of the equity shares of the Company has been recorded during the preceding 26 weeks prior to the Relevant Date.

The Company would notify through the newspapers the price of each equity share to be issued in lieu of Warrants calculated in accordance with Regulation 76(1) of Chapter VII of the SEBI ICDR Regulations on the basis of the Relevant Date for the benefit of the Members.

h) **Requirement as to re-computation of price and lock-in of specified securities:**

Since the equity shares of the Company have been listed on the recognized Stock Exchanges for a period of more than 6 months prior to the Relevant Date, the Company is not required to re-compute the price of the equity shares and therefore, the Company is not required to submit the undertakings specified under Regulations 73(1)(f) and (g) of the SEBI ICDR Regulations.

i) **Auditor's Certificate:**

A copy of the certificate from M/s. Thar & Co., Chartered Accountants, Statutory Auditors of the Company, certifying that the proposed preferential issue of Warrants is being made in accordance with the requirements contained in Chapter VII of the SEBI ICDR Regulations, shall be available for inspection at the Registered Office of the Company during office hours on all working days, except Saturday/Sunday and other holidays, between 10.00 a.m. and 12.00 noon up to the date of declaration of result of General meeting i.e. October 1, 2017.

j) **Lock-in Period:**

The Warrants and the equity shares allotted pursuant to exercise of options attached to Warrants issued on preferential basis will be subject to lock-in as provided in the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the Proposed Allottee, if any, shall be locked-in from the Relevant Date up to a period of six months from the date of trading approval granted by the Stock Exchange(s).

Except Mr. Sarang Wadhawan, Vice Chairman & Managing Director and Mr. Rakesh Kumar Wadhawan, Executive Chairman of the Company, none of the other Directors, or their relatives, or Key Managerial Personnel of the Company are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4.

Accordingly, your Directors commend the Special Resolution for the approval of the Members for approving issue of Warrants on preferential basis to Mr. Sarang Wadhawan, Promoter of the Company.

ITEM NO. 5

The Company, in order to reduce the overall debt of the Company and to meet with the long term capital requirements of the Company and to increase the ability to compete with the peer groups in domestic markets, needs to strengthen its financial position and net worth by augmenting long term resources, has proposed the Fund Raising Programme.

Pursuant to the above, the Board may, issue and allot in one or more tranches, in the course of domestic and/or international offering(s) in one or more foreign markets, by way of a public issue, private placement or a combination thereof of the Equity Shares or through an issuance of the Global depository receipts, the American depository receipts, the foreign currency convertible bonds, fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments or securities convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or

denominated in foreign currency (hereinafter collectively referred to as the "**Securities**") or any combination of Securities to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), foreign institutional investors, promoters, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, employees of the Company and/or any other categories of investors.

The "relevant date" shall mean the date of the Meeting in which the Board or a Committee of the Board decides to open the proposed issue of Securities and at such price as applicable in accordance with the provisions of the ICDR Regulations.

For reasons aforesaid, an enabling Resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The securities issued pursuant to the offering would be pari passu with the existing Equity Shares in all respects, except the right as to dividend which shall be from the relevant F.Y. in which they are allotted and/or as provided under the terms of the issue or as contained in the relevant offering documents.

The proposed issue of Qualified Institutions Placement Securities as above may be made in one or more tranches such that the aggregate amount raised by issue of Qualified Institutions Placement Securities shall not exceed USD 150 million (150 Million United States Dollars).

Section 62 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provide, inter alia, that where it is proposed to increase the subscribed share capital of the Company by allotment of further shares, such further shares shall be offered to the persons, who on the date of the offer are holders of the equity shares of the Company, in proportion to the capital paid-up on those shares as of that date unless the Members decide otherwise. The Special Resolution seeks the consent and authorisation of the Members to the Board to make the proposed issue of Securities, in consultation with the Lead Managers, Legal Advisors and other intermediaries and in the event it is decided to issue Securities convertible into equity shares, to issue to the holders of such convertible Securities in such manner and such number of equity shares on conversion as may be required to be issued in accordance with the terms of the issue, keeping in view the then prevailing market conditions and in accordance with the applicable provisions of rules, regulations or guidelines.

None of the Directors, or their relatives, or KMP of the Company are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5.

Accordingly, your Directors commend the **Special Resolution** for the approval of the Members for approving the fund raising programme of the Company.

ITEM NO. 6

In order to bring the remuneration of Non-Executive Directors ("NEDs") commensurate with the time and effort put in by them, the Board of Directors of the Company ("the Board") at its meeting held on May 30, 2017, subject to approval of Members of Company and other applicable statutory approval(s), approved payment of commission aggregating ₹ 1,81,81,000/- (Rupees One Crore Eighty One Lakh and Eighty One Thousand only) annually in such proportion as may be decided by the Board to NEDs for a period of 3 (three) years from the financial year ended March 31, 2018, provided total commission payable to such Directors shall not exceed 1% of the net profits of the Company as computed in the manner referred to under Section 197 of the Companies Act, 2013. Payment of such commission will be in addition to the sitting fees for attending meetings of the Board/Committees.

The NEDs of the Company may be deemed to be interested or concerned in passing of the Special Resolution to the extent of the commission that may be received by them.

ITEM NO. 7

The Board of Directors of the Company ("the board") at its meeting held on May 30, 2017 has, subject to approval of members, re-appointed Mr. Rakesh Kumar Wadhawan (DIN: 00028573) as a Whole Time Director, designated as "Executive Chairman", for a further term of 5 (five) years with effect from April 1, 2018, on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the board, subject to proposal to pay the salary mentioned herein below. The Brief Resume of Mr. Rakesh Kumar Wadhawan is provided separately in this Notice.

1.	**Salary**	:	₹ 50,00,000/- per month. Further increments as and when approved by the Board of Directors and Members of the Company.
2.	**Perquisites (Category "A")**		
a)	House Rent Allowance	:	60% of the salary
b)	Allowance for gas, electricity	:	10% of the salary water & furnishing as valued as per Income Tax Rules 1962.
c)	Medical Reimbursement for the	:	Reimbursement of the Expenses domestic treatment of the self actually incurred including for and the family hospitalization and premium for medical insurance, not to exceed one month's salary in a year or three month's salary over a period of three years.
d)	Leave Travel concession for the	:	For self and family, once in a year self and family in accordance with the rules of the Company.
e)	Club Fees	:	Fees of Club subject to a maximum of two Clubs. This will not include the membership fees or admission fees.
f)	Personal Accident Insurance	:	Premium not to exceed ₹ 4500/- per annum.

(Category "B")

a) Contribution to Provident Fund and Superannuation Fund not exceeding 15% of the Salary or what is not taxable under the Income Tax Act.

b) Gratuity will be payable at half a month's salary for each completed year of service.

c) Paid leave as per the rules of the company. The accumulated leave will be allowed to be encashed at the end of the tenure.

(Category "C")

a) A Chauffer driven car for use on Company's business will be provided. The Company shall bill use of Car for private purposes.

b) A telephone at the residence will also be provided at Company's expenses. The Company will bill personal long distance calls made from the house telephone.

The total remuneration to be restricted to ₹ 12 Crores per annum.

As the terms of remuneration are in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V of the said Act, approval of Central Government is not required.

The details of the remuneration paid to Mr. Rakesh Kumar Wadhawan for the year 2016-17 are provided in the financial statements of the Company and in the Corporate Governance Report.

The overall remuneration payable every year to the Managing Director and the Whole-time Director by way of salary, perquisites and allowance, incentives/bonus/performance linked activities, remuneration based on net profits, etc., as the case may be, shall not exceed in the aggregate 1% (one percent) of the net profits of the Company as computed in the manner laid down in Section 198 of the Act or any statutory modification(s) or re-enactment(s) thereof.

As stipulated under Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings, brief profile of Mr. Rakesh Kumar Wadhawan (holding DIN : 00028573), including names of companies in which he holds directorships and memberships/chairmanships of Board Committees, is provided below in Table A.

Save and except Mr. Rakesh Kumar Wadhawan and his relatives, Mr. Sarang Wadhawan, being the Son of Mr. Rakesh Wadhawan, to the extent of their shareholding interest, if any, in the Company, none of the other Directors, or their relatives, or Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

TABLE A: DETAILS OF DIRECTOR SEEKING REAPPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING

(In pursuance of Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings)

Name of Director	**Mr. Rakesh Kumar Wadhawan**
Age	64 Years
Qualification	He is a commerce graduate from Mumbai University.
Experience	He has over three decades of experience in the real estate and infrastructure industry. He is a member of many industry organisations and has actively participated in international housing-related seminars. His vision and expertise has steered the company's growth.
Terms and condition for Re- appointment	As per the resolution at item no.7 of the Notice convening Annual General Meeting on September 29, 2017 read with explanatory statement thereto, Mr. Rakesh Kumar Wadhawan is proposed to be re-appointed as Executive Chairman and Whole-time Director.
Detail of Remuneration	Nil
Date of First Appointment on board	27/01/2004
Shareholding in the Company	1,75,00,000 Share
Relationship with other director/Manager and other KMP	Mr. Sarang Wadhawan - Son
Number of meetings attended during the financial year 2016-17	4 (Four)
Directorships of other Board	Libra Hotels Private Limited Heritage Housing Development (India) Private Limited Privilege Power and Infrastructure Private Limited Privilege Industries Limited Dewan Realtors Private Limited Libra Realtors Private Limited Privilege Airways Private Limited A.N. Infrastructure And Developers Private Limited Guruashish Construction Private Limited Wadhawan Livestock Private Limited UM Architectures And Contractors Limited Privilege Health Care Services Private Limited HR Infracity Private Limited HC Infracity Private Limited Dreams The Mall Company Limited The Mall Malad Management Company Limited HDIL Harmony Mall Company Limited
Membership/Chairmanship of Committees of other Board	**Corporate Social Responsibility Committee** *Member* Guruashish Construction Private Limited.

NOTES FOR MEMBERS' ATTENTION

1. **STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013:**

   The Statement pursuant to Section 102(1) of the Companies Act, 2013 ("**the Act**"), which sets out details relating to Special Businesses to be transacted at the meeting forms part of this Notice.

2. **APPOINTMENT OF PROXY:**

   A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS SENT HEREWITH.

   A PERSON CAN ACT AS PROXY ON BEHALF OF NOT EXCEEDING FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, EITHER IN PERSON OR THROUGH POST, DULY COMPLETED AND SIGNED NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE MEETING.

   PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, CORPORATE MEMBERS, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE CERTIFIED COPY OF THE RESOLUTION/AUTHORITY, AS APPLICABLE.

   AN INSTRUMENT FOR APPOINTMENT OF PROXY IS VALID ONLY IF IT IS DULY FILLED, PROPERLY STAMPED AND SIGNED. INCOMPLETE, BLANK, UNDATED PROXY OR PROXY FORM WHICH DOES NOT STATE THE NAME OF THE PROXY, WILL NOT BE CONSIDERED VALID. IF THE COMPANY RECEIVES MULTIPLE PROXIES FOR THE SAME HOLDINGS OF A MEMBER, THE PROXY WHICH IS DATED LAST WILL BE CONSIDERED AS VALID. IF SUCH MULTIPLE PROXIES ARE NOT DATED OR THEY BEAR THE SAME DATE WITHOUT SPECIFIC MENTION OF TIME, ALL SUCH PROXIES SHALL BE CONSIDERED AS INVALID. PROXY WILL BE VALID UNTIL WRITTEN NOTICE OF REVOCATION HAS BEEN RECEIVED BY THE COMPANY BEFORE THE COMMENCEMENT OF THE AGM.

   THE PROXY-HOLDER SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.

   DURING THE PERIOD BEGINNING 24 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE AGM AND ENDING WITH CONCLUSION OF THE AGM, A MEMBER CAN INSPECT THE PROXIES SUBMITTED AT ANY TIME DURING BUSINESS HOURS OF THE COMPANY, PROVIDED THAT NOT LESS THAN THREE DAYS OF NOTICE IN WRITING IS GIVEN TO THE COMPANY.

3. **AUTHORISED REPRESENTATIVES:**

   Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.

4. **ELECTRONIC COPY OF ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING:**

   Pursuant to Section 101 and Section 136 of the Act, read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). Members who have not registered their e-mail address with the Company can now intimate the same to the Karvy Computershare Private Limited, Company's Registrar & Share Transfer Agent ("**R&T Agent**") or to the Company. **Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only.** Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request. Members may also note that the Notice of the Twenty First Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website – www.hdil.in for downloading. The physical copies of all the documents mentioned/referred to in this Notice will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form free of cost, upon making a request for the same. For any communication, the members may also send requests to the Company's investor email id i.e. info@Hdil.in.

5. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication electronically including Annual Report, Notices, Circulars, etc. from the Company.**

6. **SUBMISSION OF MEMBERS PERMANENT ACCOUNT NUMBER [PAN]:**

   The Securities and Exchange Board of India ("SEBI") has mandated submission of PAN by every participant in the Securities Market. Members holding shares in electronic form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.

7. **INSPECTION OF REGISTERS AND DOCUMENTS:**

   The Relevant documents referred to in the accompanying Notice and Statement shall remain open for inspection at the Registered Office of the Company on all working days, between 10.00 a.m. and 12.00 noon upto the date of the AGM.

8. The Company has notified closure of Register of Members and Share Transfer Books of the Company from Saturday, September 23, 2017 to Friday, September 29, 2017 (both days inclusive).

9. Members/proxies should bring their Attendance Slip/Proxy Form sent herewith, duly filled in, for attending the AGM.

10. **VOTING:**

    a. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic

means. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, September 22, 2017 i.e. the cut-off date, shall be entitled to vote on the Resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the AGM (i.e. remote e-voting).

b. The remote e-voting period will commence at 09:00 a.m. on Tuesday, September 26, 2017 and will end at 05:00 p.m. on Thursday, September 28, 2017, During this period, members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, September 22, 2017, may cast their vote by remote e-voting. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. 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**.

c. The Company has appointed Mr. Suhas Ganpule, Proprietor of M/s. SG & Associates, Company Secretaries (C.P. No. 5722), Practicing Company Secretaries, to act as the Scrutinizer and to scrutinize the entire e-voting process in a fair and transparent manner.

d. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING:

The Company has entered into an arrangement with NSDL for facilitating remote E-voting for AGM.

a)	E-Voting to commence	:	On Tuesday, September 26, 2017 at 09.00 a.m. (IST)
b)	E-Voting to end	:	On Thursday, September 28, 2017 at 05.00 p.m. (IST)
c)	URL	:	https://evoting.karvy.com

The instructions for remote E-voting are as under:

A. In case of Members receiving an e-mail from Karvy Computershare Private Limited ("Karvy") :

The Company has engaged the services of **Karvy** for facilitating remote e-voting for AGM. The instructions for remote e-voting are as under:

i. Launch an internet browser and open https://evoting.karvy.com

ii. Enter the login credentials (i.e. User ID and password). The Folio No. or DP ID- Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

User – ID	For Members holding shares in Demat Form:- a) For NSDL : 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- Event no. followed by Folio Number registered with the company
Password	Your Unique password is printed in this communication/sent via email along with the Notice sent in electronic form.
Captcha	Enter the Verification code i.e. please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

iii. After entering the above details Click on - "LOGIN". Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

iv. On successful login, the system will prompt you to select the e-Voting Event.

v. Select the EVENT of Housing Development and Infrastructure Limited and click on -Submit.

vi. Now you are ready for e-voting as 'Cast Vote' page opens.

vii. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

viii. Upon confirmation, the message 'Vote cast successfully' will be displayed.

ix. Once you have voted on the Resolution, you will not be allowed to modify your vote.

x. Institutional shareholders (i.e. other individuals, HUF etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at sgevoting@gmail.com, they may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

B. In case of Members receiving physical copy of the Notice of Annual General Meeting and Attendance Slip:

i. Initial Password is provided, at the bottom of the Attendance Slip.

Electronic Voting Event Number (EVEN)	User ID	Password/ Pin

ii. Please follow all steps from Sr. No. (i) to Sr.No. (x) above, to cast vote.

OTHER INFORMATION:

I. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual available in the download section of Karvy's e-voting website https://evoting.karvy.com.

II. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may obtain the user ID by approaching the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.

   a. If e-mail or mobile number of the Member is registered against Folio No./DP ID-Client ID, then on the home page of https://evoting.karvy.com, the Member may click "forgot password" and enter Folio No. or DP ID-Client ID and PAN to generate a password.

   b. Member may call Karvy's toll free number 1800-3454-001.

   c. Member may send an e-mail request to evoting@karvy.com.

III. The voting rights of the 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 September 22, 2017. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

GENERAL INSTRUCTIONS:

1. Mr. Suhas Ganpule, Proprietor of M/s. SG & Associates, Company Secretaries (C.P. No. 5722), Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.

2. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, count the votes cast at the Annual General Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizers Report of the total votes cast in favour of or against, if any, not later than two (2) days after the conclusion of the Annual General Meeting to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.

3. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.hdil.in) and on Karvy's website (https://evoting.karvy.com) after communication of the same to BSE Limited and National Stock Exchange of India Limited.

4. The Resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite numbers of votes in favour of the Resolutions.

5. The results declared along with the Scrutinizer's Report shall be declared through following means of communication:

   a. displayed on the Notice Board of the company at its Registered Office

   b. shall be put on the website of the Company i.e. ww.hdil.in

   c. shall be put on the website of Karvy's website (https://evoting.karvy.com)

   d. shall be communicated to BSE Limited and National Stock Exchange of India Limited.

6. The results shall also be available for inspection at the Registered Office of the Company.

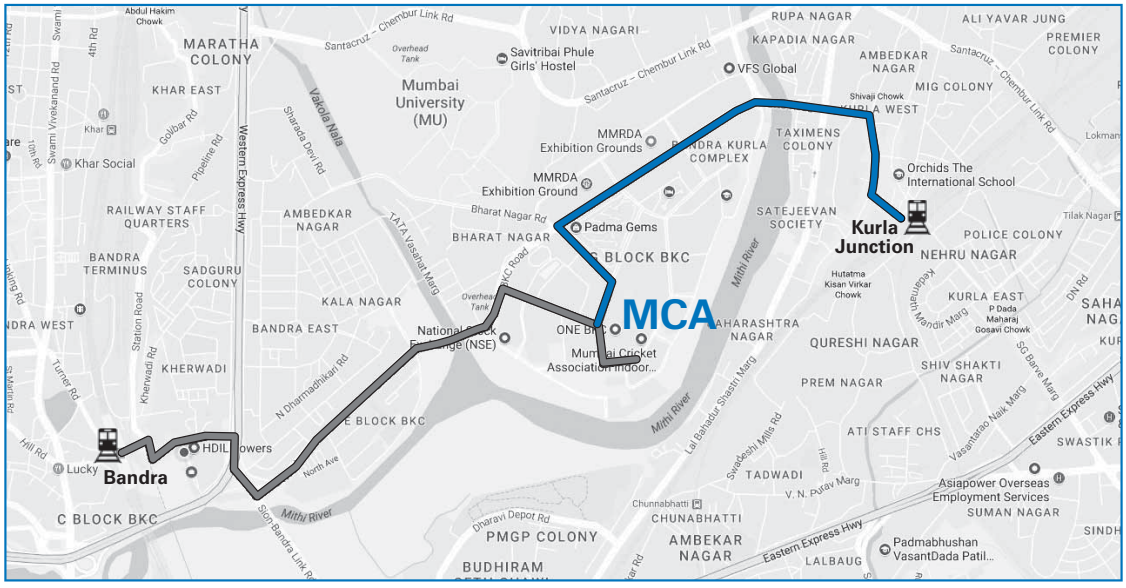
By order of the Board of Directors

Darshan D. Majmudar
Chief Financial Officer and Company Secretary

Place: Mumbai
Date: May 30, 2017

ROUTE MAP TO THE ANNUAL GENERAL MEETING VENUE: Mumbai Cricket Association Recreation Centre, G – Block, RG-2, Near Laxmi Towers, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051

Directions from Bandra Railway Station and Kurla Railway Station:



Dear Members,

Your Directors have pleasure in presenting the 21st Annual Report of the Company together with the "Management Discussion and Analysis Report", "Corporate Governance Report" and "Audited Financial Statements" for the Financial Year ("F.Y.") ended March 31, 2017.

FINANCIAL PERFORMANCE

Your Company's performance during the F.Y. ended March 31, 2017 as compared to the previous F.Y. is summarised below:

(₹ In Lacs)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations	71,081.02	1,16,844.58	72,376.79	1,16,961.36
Other Income	3,536.71	2,394.91	3,451.16	2,312.66
Net Turnover	74,617.73	1,19,239.49	75,827.95	1,19,274.02
Total Expenditure	23,009.29	52,954.75	11,085.33	39,474.96
Profit before Interest, Depreciation and Tax (PBIDT)	51,608.44	66,284.74	64,742.62	79,799.06
Less: Depreciation	733.97	773.79	750.13	799.96
Profit before Interest and Tax (PBIT)	50,874.47	65,510.95	63,992.49	78,999.10
Interest	30,018.19	36,868.60	42,824.48	51,412.21
Profit before Impairment and Tax Expenses/ Share in Profit of Associates	20,856.28	28,642.35	21,168.01	27,586.89
Provision for diminution in value of Investment				
Profit before Tax Expenses	20,856.28	28,642.35	21,168.01	27,586.89
Tax Expenses	3,331.70	(5,403.78)	3,280.13	(5,349.01)
Profit after tax	17,524.58	34,046.13	17,887.88	32,935.90
Add: Other Comprehensive Income	(43.45)	(32.56)	(43.74)	7,711.90
Profit attributable to Non-controlling Interest			(10.70)	(9.86)
Profit attributable to Owner of the parent			17,854.83	32,945.09
Balance brought forward from previous year	28,717.11	127.63	(8,189.91)	(35,710.91)
Less: Appropriations:				
Transfer to General Reserve				
Transfer to Debenture Redemption Reserve	-	(5,424.09)	593.46	(5,424.09)
Tax on Dividend				
Net Balance for the Year	**46,198.24**	**28,717.11**	**10,258.38**	**(8,189.91)**

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Financial Statements for the year ended at March 31, 2016 have been restated to conform to Ind AS.

STATE OF COMPANY'S AFFAIRS AND PERFORMANCE REVIEW

- The Turnover of the Company decline by 37.42% and stood at ₹ 74,617.73 lacs as against ₹ 1,19,239.49 lacs in the previous year.
- The Company's Profit from operations for the year ended March 31, 2017, decreased by 27.18% to ₹ 20,856.28 lacs as against ₹ 28,642.35 lacs in the previous year.
- The Net Profit for the year has increased by 48.51% to ₹ 17,524.58 lacs as against ₹ 34,046.13 lacs in previous year.

BUSINESS REVIEW

Economy has slowed down inspite of various measures taken by the government. Real Estate Industry has shown resilience, despite demonetisation, RERA etc. and is going through consolidation phase. There were many challenges such as availability of materials, sale of sand etc, delay in getting approvals in timely manner, embayed on lending to real Estate sector has not helped the matter more.

The Company has launched a new projects i.e "The Nest" during the year under review. The Company is currently developing/building various projects at Kurla, Vikhroli, Mulund, Nahar, Virar and Palghar. Construction at all locations is progressing as per the schedule and possession of ready units in various projects shall be handed over to the customers as per the agreed time schedule.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis Report, which forms part of this Report.

BUSINESS RESPONSIBILITY REPORT

The Initiative taken by the Company from an environment, Social and Governance perspective are provided in the Business Responsibility Report which is included as a separate section in the Annual Report.

SUBSIDIARY COMPANIES

As at March 31, 2017, your Company has following subsidiaries:

Sr. No.	Name of Subsidiary
1	Blue Star Realtors Private Limited
2	BKC Developers Private Limited
3	Excel Arcade Private Limited (till March 4, 2017)
4	Guruashish Construction Private Limited
5	HC Infracity Private Limited
6	Lashkaria Construction Private Limited
7	Mazda Estates Private Limited
8	Privilege Power and Infrastructure Private Limited
9	Ravijyot Finance and Leasing Private Limited

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("**the Act**"), read with relevant rules of Companies (Accounts) Rules, 2014, the Company has prepared its consolidated financial statement including all of its subsidiaries, which is forming part of this report. A statement containing salient features of financial statements of subsidiary companies in Form AOC 1 is included in the Annual Report at Page No. 128.

Pursuant to provisions of Section 136 of the Act, the separate audited financial statements in respect of each of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company on all working days between 10:00 a.m. to 12:00 noon, for a period of 21 days before the date of the Annual General Meeting ("**AGM**"). Your Company will also make available these documents upon a written request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of each of the subsidiary companies is also available on the website of your Company at www.hdil.in.

DIVIDEND

In view of the current market and industry scenario, your Board has been actively pursuing paring of its debt by monetising its land banks, your Directors have not recommended payment of any Dividend for the F.Y. ended March 31, 2017.

DEBENTURES

During the F.Y. 2016-17, your Company has not issued any Debentures. Required Debenture Redemption Reserve has been available and is part of General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2017 is ₹ 4,34,00,39,860 against ₹ 4,19,00,39,860 as on March 31, 2016. During the year under review the Company had converted its 1,50,00,000 Warrants issued to Promoters on Preferential basis into Equity Shares of ₹ 10/- each at premium of ₹ 90 per share.

The equity shares of your Company continue to be listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

RESERVES

During the year under review, your Company has transferred ₹400 lacs to General Reserves from Debenture Redemption Reserves.

FIXED DEPOSITS

Your Company did not hold any public deposits at the beginning of the year, nor it has accepted any deposits from the public during the F.Y., within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return of the Company, as prescribed under Section 92(3) of the Act and Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as **Annexure 'A'**.

DIRECTORS

Mr. Ashok Kumar Gupta resigned as Non-Executive Independent Director from the Board of your Company with effect from October 24, 2016. The Board placed on record its deep appreciation for the services rendered by Mr. Gupta during his tenure as Member of the Board.

Mr. Rakesh Kumar Wadhawan (DIN : 00028573) Whole Time Director, designated as "Executive Chairman" whose tenure expire, offers himself for re-appointment subject to the approval of Members.

All Independent Directors have submitted declarations that each of them meets the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Director during the year.

The terms and conditions of the appointments of Independent Directors have been placed on the website of the Company www.hdil.in.

Your Company has conducted the familiarisation programme for all its Directors covering the matters as specified under Regulation 25(7) of the Listing Regulations, details of which has been hosted on the Company's website at http://www.hdil.in/pdf/policies/familiarisation-programme-for-independent-directors.pdf.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

Your Company has its Corporate Governance philosophy on transparency, accountability, values and ethics, which forms an integral part of the Management's ongoing activity towards achieving excellence, growth and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

A report on Corporate Governance together with a certificate received from M/s. Thar & Co., Chartered Accountants, Statutory Auditors of the Company confirming the compliance with the provisions of Corporate Governance as stipulated in Listing Regulations is given separately which forms part of this Report. (Refer Page No. 32).

NUMBER OF MEETINGS OF THE BOARD

The Board met on various occasions to discuss and decide various affairs, operations of the Company and to supervise and control the activities of the Company. The schedule of the Board/Committee Meetings to be held in the forthcoming F.Y. will be circulated to the Directors in advance to enable them to plan their schedule for their effective participation in the Meetings.

During the F.Y., the Board met four (4) times viz. on May 28, 2016, September 10, 2016, December 13, 2016 and February 14, 2017.

Detailed information on the Meetings of the Board is included in the report on Corporate Governance, which forms part of this Annual Report. (Refer Page No. 38).

COMMITTEES OF THE BOARD

Your Company has following committees of the Board as a part of good corporate governance practices and which are in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Risk Management Committee;
- Corporate Social Responsibility Committee ("**CSR Committee**");
- Finance Committee and
- Project Committee

The details with respect to the compositions, terms of reference including powers, roles etc. of relevant committees are given in detail in the 'Report on Corporate Governance' of the Company which forms part of this Annual Report.

AUDIT COMMITTEE

The Audit Committee comprises of the following Directors:

Ms. Sandhya Baliga	-	Chairperson
Mr. Ashok Kumar Gupta*	-	Member
Mr. Lalit Mohan Mehta	-	Member
Mr. Raj Kumar Aggarwal	-	Member

*(*Mr. Ashok Kumar Gupta ceased to be member w.e.f. October 24, 2016)*

All the recommendations made by the Audit Committee were accepted by the Board.

STATUTORY AUDITORS

As per the provisions of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, the term of office of M/s Thar & Co., Chartered Accountants (Firm Registration Number 110958W), as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company. The Board of Directors places on record appreciation for the services rendered by M/s Thar & Co., as the Statutory Auditors of the Company. Subject to the approval of the members, the Board of Directors of the Company has recommended the appointment of M/s. Rajeswari & Associates, Chartered Accountants (Firm Registration Number 123005W) as the Statutory Auditors of the Company pursuant to Section 139 of the Act

The Company has received a written consent and certificate from M/s. Rajeswari & Associates, confirming that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

EXPLANATION ON AUDITORS' REPORT

As regards the observation by the Auditor in the Auditors' Report regarding delay in payment of Statutory dues, subsequently the Company has paid TDS of ₹ 61.00 Lacs and arrears of interest on Service Tax and VAT will be cleared upon completion of assessment of the respective years.

In respect of Income Tax demands, your Directors would like to state that the Company has filed appeals against the demand raised by the Assessing officer and the same is pending for disposal at various stages. Your Company is confident based on the advice of Advisors that the outcome of the appeals will be decided in favor of the Company.

As regards, overdues to the Banks and Financial Institutions towards Non Convertible Debentures (NCDs), term loans repayments and intent thereon; the Company had made part payment and has been in advance discussion with the lender for one time settlement of their dues. Upon receipt of approval for the proposed plan, effective steps will be taken to adhere to such payment timeline.

There are no qualifications, reservations, adverse remarks or disclaimers made by Statutory Auditors in their Report dated May 30, 2017, on the financial statements of the Company for F.Y. 2016-17.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. SG & Associates, Company Secretaries (C.P. No. 5722) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure 'B'**.

There are no qualifications, reservations, adverse remarks or disclaimers made by Secretarial Auditors, in their Report dated May 21, 2017, on the Secretarial and other related records of the Company for the F.Y. 2016-17.

COST AUDITORS

In pursuance of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board, on recommendation of Audit Committee, has appointed M/s. Ketki D. Visariya & Co., Cost Accountants (Firm Registration No. 00362), as the Cost Auditors to conduct the Cost Audit for the F.Y. 2017-18 at a remuneration of ₹1,00,000/- and reimbursement of out of pocket expenses plus applicable taxes.

As required under the Act, ratification by the Members pertaining to the remuneration payable to the Cost Auditors forms part of the Notice of the ensuing AGM and the respective Resolution is recommended for your consideration.

INTERNAL FINANCIAL CONTROL

Your Company has in place adequate internal financial controls with reference to financial statements and to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY

Pursuant to Section 186 of the Act, particulars of the loans given, investment made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in financial statements.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the F.Y. 2016-17 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Act are not attracted and hence the disclosure in form AOC-2 is not required.

During F.Y. 2016-17, there are no material related party transactions with Promoters, Directors or Key Managerial Personnel ("**KMP**"). The Company has in place a policy on Materiality of and Dealing with Related Party Transactions for the purpose of identification and monitoring of such transactions. Suitable disclosures as required under AS-18 have been made in Note 37 of the Notes to the financial statements.

Pursuant to Regulation 23 of the Listing Regulations, the Company has in place a Policy on dealing with Related Party Transactions, which has been hosted on Company's website at http://www.hdil.in/pdf/policies/policy-on-materiality-of-and-dealing-with-related-party-transactions.pdf

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

As required under Regulation 16(1)(c) of the Listing Regulations, the Company has in place a Policy for Determining 'Material' Subsidiaries, which has been hosted on Company's website at http://www.hdil.in/pdf/policies/policy-for-determining-material-subsidiary.pdf

RISK MANAGEMENT

Pursuant to Regulation 21 of Listing Regulations, your Company has in place a Risk Management Committee which identifies, evaluates, manages and monitors the risks that can impact the Company's ability to achieve its strategic and financial objectives and monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organisation.

The Board has in place a Risk Management Policy to identify and assess the key risk area, monitor and report compliance and effectiveness of the policy and procedure.

VIGIL MECHANISM

Your Company has a Vigil Mechanism for their Directors and employees to report their genuine concerns or grievances and in order to report such concerns or grievances, the Company has formal Whistle Blower Policy in place.

Your Company assures cognizance of complaints made and suggestions given by the employees. Even anonymous complaints will be looked into and whenever necessary, suitable corrective steps will be taken.

The Whistle Blower Policy, provides for adequate safeguards against victimisation of persons who use such mechanism and also provides direct access to the Chairperson of the Audit Committee.

The Whistle Blower Policy has been put up on the Company's Website at www.hdil.in.

NOMINATION AND REMUNERATION POLICY

The Board has in place a policy which lays down criteria for selection and appointment of Board Members. The policy also lays down a framework in relation to remuneration of Directors, KMP and Senior Management of the Company. The Policy also includes the criteria for determining qualifications, positive attributes and independence of Directors.

The detailed policy is annexed to the Report on Corporate Governance, which forms part of this Annual Report.

EVALUATION OF THE BOARD, ITS COMMITTEE AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its performance, of the Directors individually as well as the evaluation of the working of its Committees. The manner in which the evaluation was carried out was explained in the Report on Corporate Governance, which forms part of this Annual Report.

PARTICULARS OF EMPLOYEES

Your Company recognizes its employees as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset.

Your Company has embarked on the journey of creating a High Performance Culture and has laid the foundation towards this.

Your Directors place on record their appreciation for the contributions made by the employees of the Company at all levels. Relations between employees and the Management continued to be cordial during the year.

The statement containing particulars of employees as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. In terms of Section 136 of the Act, the same is open for inspection at the Registered Office of your Company on all working days between 10:00 a.m. to 12:00 noon upto the date of the Meeting. Copies of this statement may be obtained by the Members by writing to the Company Secretary of your Company.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **Annexure 'C'**.

REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to providing and promoting a safe and healthy work environment for all its employees.

Your Company has in place a policy on 'Prevention of Sexual Harassment' ("**POSH**") in line with the provisions of the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints pertaining to sexual harassment at workplace, along with a structured reporting and redressal mechanism. The POSH Policy is displayed on the Company's intra-net 'HDIL World'.

During F.Y. 2016-17, your Company has not received any complaint on sexual harassment.

INVESTORS' RELATION AND GRIEVANCES

Investors' relations have been cordial during the year. As a part of compliance, the Company has in place Stakeholders Relationship Committee to deal with the issues relating to investors. There were no investors' grievances pending as on March 31, 2017. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent ("**R&T**").

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

Your Company has in place a CSR Committee which is in compliance to the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, which comprises of the following Directors:

1) Mr. Rakesh Kumar Wadhawan - Chairman
2) Mr. Sarang Wadhawan - Member
3) Mr. Lalit Mohan Mehta - Member

Your Company has also in place a Corporate Social Responsibility ("**CSR**") Policy which is available on the website of the Company at www.hdil.in.

The average Net Profit of the Company for last three F.Y. is ₹ 78,400.80 Lacs and accordingly the Company requires to spend ₹ 1491.95 Lacs on CSR activities.

The Company has setup a trust in the name of 'HDIL Foundation' with the objectives of starting and maintain educational institutions, open boarding houses and hostels for students, libraries, donations for working of educational institutions and charitable purpose, to establish hospitals, research laboratories and medical centers, general welfare and upliftment of poor and needy people, digging wells and providing drinking water, to organize seminars/meetings/camps for awakening of general masses, to give relief in the stress of famine/fire/tempest/cyclone/earthquake or other natural calamity.

The Company however has initiated certain obligations through undertaking of SRA project, where social and economically backward people have been beneficiary of these projects, in the following ways:

i. transportation facilities to the school going children of slum dwellers;

ii. providing additional safety measure to enhance security of labour at construction sites and

iii. free medical camps for the labourers and their families.

Further, your Company is irregular in paying off its statutory dues and financial commitments to the Banks and Financial Institutions, hence, the Board is of the view that CSR activities needs to be undertaken only after the Company has regularised in meeting all its obligations.

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

Information as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, for the year ended March 31, 2017, is as under:

CONSERVATION OF ENERGY

Your company is conscious about its responsibility to conserve energy, power and other energy sources wherever possible. We emphasis towards a safe and clean environment and continue to adhere to regulatory requirements and guidelines. The construction team under the guidance of expert engineers of the Company continuously strives and devises various means to conserve energy and identify methods for optimum use of energy.

Initiatives are taken for energy efficiency systems for Buildings in various phases like design, building and occupation by considering various options and appropriate measures for energy conservation which are stated as following:

- **A Building Management System (BMS)** or a (more recent terminology) **Building Automation System (BAS);**
- **Energy Efficiency System;**
- **Insulation;**
- **Multipane Windows, Window Treatment and Storm Doors, UPVC Doors/Windows etc.;**
- **Zoning System and**
- **Passive solar Design.**

RESEARCH AND DEVELOPMENT

The Company has undertaken Research and Development ("**R&D**") activity in development of technology in the area of construction.

In today's competitive market where it is obvious need to construct with optimum cost, reduced schedule while maintaining highest standard of quality, our Company is actively involved in R&D activities. Some of them are:

Optimization of Space:

Mechanical Car Parking

- DOKA formwork;
- ULMA formwork;
- MIVAN formwork;
- Installation of safety apparatus for emergency evacuation purpose in an unlikely event of hazard;
- Study, Analysis and use of various shuttering patterns for economy, conservation of time and better quality of work;
- Substitution of Diaphragm wall with sheet piling as shoring options;
- Study, Analysis and use of composite structure in place of conventional structure;
- Optimization of resources and their recycling for further use;
- Use of environment friendly materials and developing green building concept and
- Analysis and study of trade off among various services for optimization.

Emphasis is given on time, cost and quality and setting an efficient trade-off among these three variables of Project management in R&D efforts.

Ingstrom Fire Escape Chutes

Initiatives for Sustainable Building Energy Conservation

GREEN PAINTS FOR GREEN BUILDING:

Introduction:

Paints can have a major impact on the overall aesthetics of a space; sometimes more than even flooring and furnishing because of the enormous square footage of the coverage.

According to the US Environmental Protection Agency (USEPA), 9% of the airborne pollutants creating ground level ozone come from the VOC's (Volatile Organic Compound) in the Paint. VOC refers to a class of chemicals which evaporates easily at room temperature. When these VOCs off-gas, they may cause a variety of health problems like nausea, dizziness, irritation of eyes and respiratory tract, and more serious illness like heart, lung or kidney damage and cancer.

Low and Zero VOC paints have little or no smog-forming emission. Use of high VOC content materials can cause illness and may decrease occupant productivity. These problems result in increased expenses and liability for building owners, operators and insurance companies.

Benefits:

Using the Low VOC or Zero VOC paint we can eliminate the detrimental effect of ground level ozone on human health, agricultural crops, forests and ecosystem. Healthy occupants are more productive and have less illness- related absenteeism.

LED LIGHTS

Introduction:

LEDs are light emitting diodes, are a technology that allows for extremely energy efficient and extremely long-lasting light bulbs. An LED light bulb can reduce energy consumption by 80-90% and last around 100,000 hours. They even light up faster than regular bulbs (which could save your life if there are LEDs in the brake lights of your car).

Ecologically Friendly:

LED lights are free of toxic chemicals. Most conventional fluorescent lighting bulbs contain a multitude of materials like e.g. mercury that are dangerous for the environment.

LED lights contain no toxic materials and are 100% recyclable, and will help you to reduce your carbon footprint by up to a third. The long operational life time span mentioned above means also that one LED light bulb can save material and production of 25 incandescent light bulbs. A big step towards a greener future.

Zero UV Emissions:

LED illumination produces little infrared light and close to no UV emissions.

Because of this, LED lighting is highly suitable not only for goods and materials that are sensitive to heat due to the benefit of little radiated heat emission, but also for illumination of UV sensitive objects or materials such as in museums, art galleries, archeological sites etc.

Security Systems:

The Company has following Security Systems at its office and site:

- Fire Alarm System and
- Water Curtain System

TECHNOLOGICAL ABSORPTION

Your Company has not imported any technology. However, we believe and use information technology extensively in all spheres of our activities to improve efficiency levels.

FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ In Lacs)

Year	2016-17	2015-16
Foreign exchange earnings	-	-
Foreign exchange outgo	213.43	233.23

PARTICIPATION IN THE GREEN INITIATIVE

Your Company continues to wholeheartedly participate in the Green Initiative undertaken by the Ministry of Corporate Affairs ("**MCA**") for correspondences by Corporates to its shareholders through electronic mode. All the shareholders who have not so far substituted/updated their e-mail id are requested to join the said program at sending e-mail of their preferred e-mail addresses to the R&T at rajeev.kr@karvy.com or to the Company on info@hdil.in.

REGULATORY ACTION

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

INFORMATION OF MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2017 and prior to May 30, 2017, being the date of this report.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations including raw material availability and its price, pricing in the Company's principle markets, changes in Government regulations, Tax regimes and economic developments within India.

APPRECIATION

Your Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by the employees of the Company and its Associates at all levels and wish to convey their appreciation to the Banks, Financial Institutions, Government Authorities, Customers and other Stakeholders for the excellent assistance and co-operation received and wish to place on record their gratitude to the Members for their trust, support and confidence reposed in the Company.

For and on behalf of the Board of Directors

Mr. Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

Place: Mumbai
Date: May 30, 2017

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1.	**CIN**	L70100MH1996PLC101379
2.	**Registration Date**	July 25, 1996
3.	**Name of the Company**	Housing Development and Infrastructure Limited
4.	**Category/Sub-category of the Company**	Public Company/Limited by Shares
5.	**Address of the Registered office and contact details**	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051 Tel.: +91 22 6788 9000, Fax: +91 22 6788 9090 e-mail id: info@hdil.in, Website: www.hdil.in
6.	**Whether listed Company**	Yes
7.	**Name, Address and Contact details of the Registrar and Transfer Agent, if any**	Karvy Computershare Private Limited Karvy Selenium Tower-B, Plot No. 31 and 32, Financial District, Gachibowli, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 Tel: +91 040 6716 1500 Toll Free No.: 1800 3454 001 Fax: +91 040 2300 1153 e-mail id: einward.ris@karvy.com Website: www.karvy.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):

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service (NIC 2008)	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Blue Star Realtors Private Limited	Dewan Tower, Station Road, Vasai (West), Thane – 401 202	U45200MH1990PTC055968	Subsidiary	100.00	2(87)(ii)
2	BKC Developers Private Limited	5th Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai - 400 051	U74999MH2003PTC143045	Subsidiary	98.50	2(87)(ii)
3	Guruashish Construction Private Limited	Ground Floor, Siddharth Nagar No. 1, Opp. Siddharth Nagar Post Office, Goregaon (West), Mumbai – 400 104	U45200MH2000PTC126895	Subsidiary	100.00	2(87)(ii)
4	HC Infracity Private Limited	A-20, Kailash Colony, New Delhi, Delhi – 110 048	U70101DL2011PTC228147	Subsidiary	75.00	2(87)(ii)
5	Lashkaria Construction Private Limited	102, 1st Floor, Diamond Apartment, CTS No.198, New Link Road, Oshiwara, Mumbai – 400 102	U70100MH2000PTC128723	Subsidiary	69.00	2(87)(ii)
6	Mazda Estates Private Limited	3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai - 400 051	U70100MH2004PTC136339	Subsidiary	100.00	2(87)(ii)
7	Privilege Power and Infrastructure Private Limited	3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	U65990MH1984PTC033927	Subsidiary	100.00	2(87)(ii)
8	Ravijyot Finance and Leasing Private Limited	Laxmi Palace, Mathuradas Road, Kandivali (West), Mumbai – 400 067	U67120MH1995PTC086603	Subsidiary	60.00	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	8,02,06,776	-	8,02,06,776	19.14	3,66,59,115	-	3,66,59,115	8.45	(10.69)
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	5,33,46,984	-	5,33,46,984	12.73	11,18,94,645	-	11,18,94,645	25.78	13.05
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other Promoter's Relatives	99,65,648	-	99,65,648	2.38	97,97,506	-	97,97,506	2.26	(0.12)
Sub-total (A)(1)	**14,35,19,408**	**-**	**14,35,19,408**	**34.25**	**15,83,51,266**	**-**	**15,83,51,266**	**36.49**	**2.24**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**14,35,19,408**	**-**	**14,35,19,408**	**34.25**	**15,83,51,266**	**-**	**15,83,51,266**	**36.49**	**2.24**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	40,07,828	-	40,07,828	0.96	54,80,094	-	54,80,094	1.26	0.30
b) Banks/FI	8,46,122	-	8,46,122	0.20	5,62,783	-	5,62,783	0.13	(0.07)
c) Central Government	-	-	-	-	-	-	-	-	
d) State Government(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	1,47,857	-	1,47,857	0.04	1,47,857	-	1,47,857	0.03	(0.01)
g) FIIs	18,41,27,259	-	18,41,27,259	43.94	19,46,96,034	-	19,46,96,034	44.86	0.92
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	
i) Others:	-	-	-	-	-	-	-	-	
Sub-total (B)(1)	**18,91,29,066**	**-**	**18,91,29,066**	**45.14**	**20,08,86,768**	**-**	**20,08,86,768**	**46.29**	**1.15**
2. Non-Institutions									
a) Bodies Corp.:									
Indian	2,06,64,195	65	2,06,64,260	4.93	1,30,40,866	65	1,30,40,931	3.00	(1.93)
b) Individuals:									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	4,38,99,823	41371	4,39,41,194	10.49	4,59,59,886	42671	4,60,02,557	10.60	0.11
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	1,52,59,902	12857	1,52,72,759	3.65	97,73,364	12857	97,86,221	2.25	(1.40)
c) Others (specify)									
Non Resident Indians	18,71,462	-	18,71,462	0.45	19,51,389	-	19,51,389	0.45	0
Directors other than Promoter Director and their Relatives	47,378	3857	51,235	0.01	47,378	3857	51235	0.01	0
Overseas Corporate Bodies	13	-	13	0.00	13	-	13	0.00	0
Foreign Nationals	-	-	-	-	-	-	-	-	
Clearing Members	45,53,632	-	45,53,632	1.09	39,27,948	-	3927948	0.91	(0.18)
Trusts	957	-	957	0.00	5658	-	5658	0.00	0.00
Foreign Bodies	-	-	-	-	-	-	-	-	
Sub-total (B)(2)	**8,62,97,362**	**58150**	**8,63,55,512**	**20.61**	**7,47,06,502**	**59450**	**7,47,65,952**	**17.23**	**(3.38)**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**27,54,26,428**	**58150**	**27,54,84,578**	**65.75**	**27,55,93,270**	**59450**	**27,56,52,720**	**63.51**	**(2.24)**
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	**41,89,45,836**	**58150**	**41,90,03,986**	**100.00**	**43,39,44,536**	**59450**	**43,40,03,986**	**100.00**	**-**

(ii) Shareholding of Promoter (including Promoter Group):

Sr. No.	Shareholder's 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	Mr. Rakesh Kumar Wadhawan	7,60,47,661	18.15	-	1,75,00,000	4.03	-	(14.12)
2	Mr. Sarang Wadhawan	41,59,115	0.99	-	1,91,59,115	4.41	-	3.42
3	Mrs. Malti Rakesh Kumar Wadhawan	81,00,000	1.93	-	81,00,000	1.87		(0.06)
4	Mrs. Anjana Rameshchandra Sakhuja	11,37,142	0.27	-	11,37,142	0.26	-	(0.01)
5	Mrs. Anu Sarang Wadhawan	5,03,222	0.12	-	5,03,222	0.12	-	0
6	Mrs. Romy Mehra	1,68,142	0.04	-	0	0	-	(0.04)
7	Mrs. Nikita Trehan	57,142	0.01	-	57,142	0.01	-	0
8	Interactive MultiMedia Technologies Private Limited	1,53,90,385	3.67	-	3,00,27,300	6.92	-	3.25
9	Dheeraj Consultancy Private Limited	1,38,85,714	3.31	-	2,85,22,630	6.57	-	3.26
10	Dinshaw Trapinex Builders Private Limited	1,38,85,714	3.31	-	2,85,22,629	6.57	-	3.26
11	Privilege Distilleries Private Limited	1,01,85,171	2.43	-	2,48,22,086	5.72	-	3.29

(iii) Change in Promoters' Shareholding (including Promoter Group):

Sr. No.	Particulars	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	**Mr. Rakesh Kumar Wadhawan**				
	At the beginning of the year:	7,60,47,661	18.14		
	Date wise increase/(decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease:				
	Inter-se Transfer Between Promoter & Promoter(s) group on March 18, 2017.	(5,85,47,661)	(13.49)	-	-
	At the end of the year:			1,75,00,000	4.03
2	**Mr. Sarang Wadhawan**				
	At the beginning of the year:	41,59,115	0.96		
	Date wise increase/(decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease:				
	Conversion of Warrants on September 8, 2016.	1,50,00,000	3.45		
	At the end of the year:			1,91,59,115	4.41
3	**Mrs. Romy Mehra**				
	At the beginning of the year:	1,68,142	0.04		
	Date wise increase/(decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease:				
	Sale of shares on December 9, 2017.	(1,68,142)	(0.04)		
	At the end of the year:			0	0
4	**Interactive MultiMedia Technologies Private Limited**				
	At the beginning of the year:	1,53,90,385	3.67		
	Date wise increase/(decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease:				
	Inter-se Transfer Between Promoter & Promoter(s) group on March 18, 2017.	1,46,36,915	3.37		
	At the end of the year:			3,00,27,300	6.92

Sr. No.	Particulars	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
5	**Dheeraj Consultancy Private Limited**				
	At the beginning of the year:	1,38,85,714	3.31		
	Date wise increase/(decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease:				
	Inter-se Transfer Between Promoter & Promoter(s) group on March 18, 2017.	1,46,36,915	3.37		
	At the end of the year:			2,85,22,630	6.57
6	**Dinshaw Trapinex Builders Private Limited**				
	At the beginning of the year:	1,38,85,714	3.31		
	Date wise increase/(decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease:				
	Inter-se Transfer Between Promoter & Promoter(s) group on March 18, 2017.	1,43,63,916	3.37		
	At the end of the year:			2,85,22,629	6.57
7	**Privilege Distilleries Private Limited**				
	At the beginning of the year:	1,01,85,171	2.43		
	Date wise increase/(decrease) in Promoters Shareholding during the year specifying the reason for increase/decrease:				
	Inter-se Transfer Between Promoter & Promoter(s) group on March 18, 2017.	1,46,36,915	3.37		
	At the end of the year:			2,48,22,086	5.72

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
Orbis Sicav Emerging Markets Equity Fund.	3,29,90,632	7.87	-	-	3,29,90,632	7.60
Stichting Depositary APG Emerging Markets.	-	-	1,11,27,105	Purchase	1,11,27,105	2.56
Merrill Lynch Markets Singapore PTE.	-	-	1,06,53,628	Purchase	1,06,53,628	2.45
Credit Suisse (Singapore) Limited.	21,88,253	0.52	81,22,470	Purchase	1,03,10,723	2.38
DB International (Asia) Ltd.	5,17,392	0.12	71,04,397	Purchase	76,21,789	1.75
Orbis Global Equity Fund Ltd.	57,09,943	1.36	2,22,624	Purchase	59,32,567	1.37
Orbis Sicav Global Balanced Fund.	-	-	48,42,155	Purchase	48,42,155	1.12
Doric Asia Pacific Small Cap (Mauritius) Ltd.	-	-	47,00,000	Purchase	47,00,000	1.08
Goldman Sachs (Singapore) PTE.	2,16,079	0.05	41,32,338	Purchase	43,48,417	1.00
Vanguard Emerging Markets Stock Index Fund.	14,58,816	0.35	28,81,341	Purchase	43,40,157	1.00

Note: *Top ten shareholders of the Company as on March 31, 2017, has been considered for the above disclosure.*

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year (As at 31st March, 2016)		Date wise Increase/ (Decrease) in Shareholding during the year	Increase/ (Decrease) in Shareholding	Reason	Shareholding at the end of the year (As at 31st March, 2017)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Director								
1	Mr. Rakesh Kumar Wadhawan	7,60,47,661	18.14	March 18, 2017	(5,85,47,661)	Inter-se transfer in Promoter Group	1,75,00,000	4.03
2	Mr. Sarang Wadhawan	41,59,115	0.98	September 8, 2016	1,50,00,000	Conversion of Warrants into Equity Shares	1,91,59,115	4.41
3	*Mr. Ashok Kumar Gupta	5,800	0.00	-	-	-	5,800	0
4	Mr. Lalit Mohan Mehta	-	-	-	-	-	-	-
5	Mr. Raj Kumar Aggarwal	-	-	-	-	-	-	-
6	Mrs. Sandhya Baliga	-	-	-	-	-	-	-
7	Mr. Hazari Lal	-	-	-	-	-	-	-
Key Managerial Personnel								
8	Mr. Darshan D. Majmudar	-	-	-	-	-	-	-

** Mr. Ashok Kumar Gupta ceased to be Non-Executive Independent Director w.e.f. October 24, 2016.*

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,10,761.49	-	-	2,10,761.49
ii) Interest due but not paid	26,413.01	-	-	26,413.01
iii) Interest accrued but not due	705.44	-	-	705.44
Total (i+ii+iii)	**2,37,879.94**	**-**	**-**	**2,37,879.94**
Change in Indebtedness during the financial year				
• Addition	35,474.91	-	-	35,474.91
• Reduction	29,379.15	-	-	29,379.15
Net Change	**6,095.76**	**-**	**-**	**6,095.76**
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	2,03,937.62	-	-	2,03,937.62
iii) Interest accrued but not due	39,761.80	-	-	39,761.80
Total (i+ii+iii)	**276.28**	**-**	**-**	**276.28**
	2,43,975.70	**-**	**-**	**2,43,975.70**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Note: Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman and Managing Director have not taken any remuneration for the Financial Year 2016-17 : **(A)**

B. Remuneration to other directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	**Independent Directors**	**Mr. Lalit Mohan Mehta**	**Mr. Raj Kumar Aggarwal**	**Mrs. Sandhya Baliga**	**Mr. Hazari Lal**	
	Fee for attending Board/Committee Meetings	0.80	1.80	1.20	0.80	4.60
	Commission	33.33	33.33	33.33	33.33	133.32
	Others, please specify	-	-	-	-	-
	Total (1)	**34.13**	**35.13**	**34.53**	**34.13**	**137.92**
2	**Other Non-Executive Directors**	***Mr. Ashok Kumar Gupta**				
	Fee for attending Board/Committee Meetings		1.20			1.20
	Commission		18.96			18.96
	Others, please specify		0			0
	Total (2)		**20.16**			**20.16**
	Total = 1+2 (B)					**158.08**
	Ceiling as per the Act	₹ 210.56 lacs *(being 1% of Net Profits of the Company calculated as per the Section 198 of the Companies Act, 2013.)*				
	Total Managerial Remuneration = (A+B)					**158.08**
	Overall Ceiling as per the Act	₹ 2,316.16 lacs *(being 11% of Net Profits of the Company calculated as per the Section 198 of the Companies Act, 2013.)*				

**Mr. Ashok Kumar Gupta ceased to be Non-Executive Independent Director w.e.f. October 24, 2016.*

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Mr. Darshan D. Majmudar (CFO and CS)	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	35.28	35.28
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	24.72	24.72
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	Others, specify	-	-
5	Others, please specify	-	-
	Total	**60.00**	**60.00**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Mr. Rakesh Kumar Wadhawan
Executive Chairman
(DIN : 00028573)

Place: Mumbai
Date: May 30, 2017

FORM NO. MR-3

Secretarial Audit Report for the Financial Year ended March 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To

The Members,

Housing Development and Infrastructure Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Housing Development and Infrastructure Limited** (hereinafter called "**the Company**").

The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2017, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

(i) The Companies Act, 2013 ("**the Act**") and the Rules made thereunder,

(ii) The Securities Contract (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder 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 Takeover) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulation, 2015.

We further state that there were no events/actions in pursuance of the following Regulations and Guidelines prescribed under the SEBI Act.

(1) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(2) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(3) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(4) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with Client;

(5) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(6) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

1. Secretarial Standards issued by the Institute of Company Secretaries of India;

During the period under review and as per the explanations and representations made by the Management and subject to clarifications given to me, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines as Mentioned above.

I further report that

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

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

All the decisions were carried out unanimously by the Members of the Board and Committees and the same were duly recorded in the minutes of the Meeting of the Board of Directors and the Committees thereof.

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

I further report that during the audit period, there were no instances of:

i. Public/Preferential issue of shares/debentures/sweat equity.

ii. Buy-Back of securities.

iii. Merger/amalgamation/reconstruction etc.

iv. Foreign technical collaborations

This Report is to be read with my letter of even date which is annexed as Annexure 'A' and forms an integral part of this Report.

For **SG and Associates,**

Suhas Ganpule,
Proprietor
Practicing Company Secretaries
Membership No: 12122
C. P. No: 5722

Date: 22.05.2017
Place: Mumbai

ANNEXURE 'C'

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as under:

Sr. No.	Requirement	Disclosure		
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year (**"F.Y."**):	**Name of the Director**		**Ratio**
		Mr. Lalit Mohan Mehta		9.81
		Mr. Raj Kumar Aggarwal		10.10
		Mrs. Sandhya Baliga		9.92
		Mr. Hazari Lal		9.84
		Mr. Ashok Kumar Gupta*		5.76
		Note: Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman and Managing Director have not taken any remuneration for the Financial Year 2016-17. * Mr. Ashok Kumar Gupta ceased to be a Non-Executive Independent Director w.e.f. October 24, 2016.		
2	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the F.Y.:	**Name of the Director**	**Category**	**% increase**
		Mr. Lalit Mohan Mehta	Director	(4.39)
		Mr. Raj Kumar Aggarwal	Director	(2.15)
		Mrs. Sandhya Baliga	Director	(2.73)
		Mr. Hazari Lal	Director	(2.48)
		Mr. Ashok Kumar Gupta*	Director	(44.49)
		Mr. Darshan D. Majmudar	CFO & CS	0
		Note: • There has been no per se increment or any increase in the remuneration of the Directors of the Company. Non-Executive Directors of the Company are paid commission up to 1% of the net profit of the Company subject to maximum amount of ₹ 2,00,00,000 and hence the change in remuneration is due to change in the number of members on the board and the tenure of the concerned Director of the Company. * Mr. Ashok Kumar Gupta ceased to be a Non-Executive Independent Director w.e.f. October 24, 2016 and Commission & Sitting fees was paid for the part of financial year 2016-17.		
3	The percentage increase in the median remuneration of employees in the F.Y.:	There is 11.08% increase in median remuneration of employees in F.Y. 16-17.		
4	The number of permanent employees on the rolls of company:	As on March 31, 2017, there were 513 employees on the rolls of Company.		
5	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:	There is 11.08% increase in median remuneration of employees other than the managerial personnel in the last financial year. There was no change in the managerial remuneration. Increase in Remuneration is due to higher replacement cost of the persons leaving the organisation. There has been no increase in remuneration to Employees.		
6	Affirmation that the remuneration is as per the remuneration policy of the Company:	It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.		

1. INDUSTRY - STRUCTURE AND DEVELOPMENTS:

A. INDIAN ECONOMY – AN OVERVIEW:

The Real estate and construction is a pivotal cog of economic growth for India, as it contributes the third highest share to the Indian economy and is also the third largest employer in India (after agriculture and manufacturing) and presently employs over 40 million workforces. The Sector is growing at a rate of about 20% per annum and has been contributing about 5-6% to India's Gross Domestic Product ("**GDP**").

The Financial year 2016-17 was marked by two major domestic policy developments: passage of the Constitutional amendment which paved way for implementing the transformational Goods and Services Tax ("**GST**"), and the action to demonetise the ₹ 500 and ₹ 1,000 bank notes in the country. In view of both, The GST is suppose to create a common Indian market for indirect tax, improve tax compliance and governance, and boost investment and growth. It is also a bold new experiment in the governance of India's cooperative federalism. The bill to implement GST has been passed in the Parliament and the country is poised to move to a GST regime from the second quarter of 2017-18. Whereas Demonetisation had short-term costs, contemporary evidence tended to suggest significant disruption for the first six to eight weeks due to unprecedented cash constraints throughout the economy. However, the National Income Data published by the Central Statistics Office (CSO) does not suggest any significant reduction in growth in the third quarter of 2016-17, which coincided with demonetisation. The third quarter tends to be muted. In 2015-16, the growth rate of real gross value added (GVA) in Q2 was 8.4%; while in Q3 it was 7%, i.e sequential drop of 1.4 percentage points. In 2016-17, GVA growth in Q2 was 6.7%, and in Q3 it was 6.6%. What the data so far suggests is that the demonetisation effect was more moderate than what the critics claimed it would be and it looks as if its effects have been transitory.

B. OVERVIEW OF THE REAL ESTATE INDUSTRY:

The Real estate market has been amongst the sectors worst hit by the economic downturn in the year 2016, but as compared to last year the real estate industry has shown the sign of revival and is showing remarkable growth in the year 2017. By introducing regulations like RERA, Benami Transaction Prohibition, REITs, GST ("**the said Regulations**") there is a long-term industrial growth and it also impacts on ease of business by transparency at work. A lot is expected from Government of India ("**GOI**") in the upcoming years to offer some relief in the Real Estate Sector which will have positive impact on Your Company and its related stakeholders.

The said Regulations compiled with low inflations proposals like deduction in profit for construction of affordable housing, interest subsidy to first time home buyer and reduction in overall interest rates specially for home loans under affordable Finance Housing Scheme, outcome which will contour the Real Estate. With the recent Demonetisation the affordable housing segment is benefited and revived as compared to the luxury housing segment as this segment comes under that category of people who are dependent on home loans.

"Post Demonetisation - The buzz around affordable housing is attracting new demand pickup into the market and affordable housing emerging as a new segment for a large number of the recent entrants"

C. GOVERNMENT STANCE:

The Government formalised its vision and investment cycle to empower the bureaucracy to revive the Sector. The government has launched its ambitious moto of 'Housing for all by 2022' specially "affordable housing", which encompasses building six crore housing units through public-private partnership model recognising the need to fill up the gap in urban housing. The Government also formalised several initiatives directed towards improving urban infrastructure. It has already identified 100 cities to be developed as Smart Cities under its "The Smart City Project", identified 500 cities for urban rejuvenation under 'Atal Mission for Rejuvenation & Urban Transformation' ("**AMRUT**"), and launched Heritage City Development & Augmentation Yojana ("**HRIDAY**"), which would transform urban infrastructure in 12 Heritage Cities.

After the Central Government allowed 100% Foreign Direct Investment and tax pass path through Real Estate Investment Trust ("**REITs**"), retail funding in Real Estate Sector and Infrastructure Investment Trust ("**InvITs**") attracted many investors. The Securities and Exchange Board of India (SEBI) has recently (January 2017) allowed mutual funds (MFs) to invest in REITs and InvITs. Besides, the government made provisions to grant infrastructure status to affordable housing. Developers can enjoy cheaper sources of funding, including external commercial borrowings (ECBs). Promoters of Affordable housing will also get more time for project completion. The deadline has increased to five years, up from the current three years.

The Reserve Bank of India ("**RBI**") relaxed provisions for individual housing loans wherein, for loans above ₹ 30 Lacs and up to ₹ 75 Lacs, the risk weight has been brought down to 35% with loan-to-value (LTV) ratio up to 80%. For loans above ₹ 75 Lacs, with LTV ratio up to 75%, risk weight has been reduced from 75% to 50%.

2. OPPORTUNITIES, THREATS & CHALLENGES:

A. OPPORTUNITIES:

Easing of Monetary Norms

The real estate sector performance is directly bound by the country's economic fundamentals and monetary policies. The Reserve Bank of India maintained its benchmark repo rate of 6.5 percent during the meeting held in June 2017 *(Repo rate is the rate at which the RBI lends money to commercial banks).* Monetary easing initiatives will provide an impetus to housing demand.

Government Initiatives

The Government proposed to construct 1 crore houses for the homeless by 2019. The PM Awas Yojana allocation has raised to ₹ 23,000 crore from ₹ 15,000 crore. The National Housing Bank also refinance individual housing loans of about ₹ 20,000 crore in 2017-18. To promote affordable homes, the government amended the Section 80-IBA relaxing the period of completion of the project for claiming deduction from the current three years to five years.

Push for Affordable Housing – by giving them "Infrastructure Status".

The implementation of Real Estate (Regulation and Development) Act, 2016 has improved confidence of buyers in the sector, as it improved transparency, provided various buyer-friendly measures and encouraged timely completion of projects.

In Budget 2016, The government announced a scheme for profit-linked income tax exemption for promoters of affordable housing scheme, which received a very good response; alongwith they allowed 100% deduction for housing projects building 30 square meters (build-up area) in the four metro cities and 60 square meters (build-up area) in other cities. But in **Budget 2017,** to make scheme more attractive Government incorporated certain changes where instead of built up area of 30 and 60 sq meter, the carpet area of 30 and 60 sq meter to be counted.

Relaxation in FDI norms

The government has further relaxed Foreign Direct Investment (FDI) norms in the construction sector by removing two major conditions related to minimum built up area as well as capital requirement thereby improving the ease of doing business in the Real Estate Sector. Eventually, Removal of this minimum thresholds encouraged investment in small projects.

This new FDI norms will helped to ease the entry and exit for foreign investors, as foreign investor and Repatriate Foreign Investment are now permitted to exit before the completion of project under automatic route, provided a lock-in-period of three years. Exit is permitted at any time if project or trunk infrastructure is completed before the lock-in-period.

Real Estate Investment Trusts (REITs)

In Union Budget 2017, REITs opened the ways for the realty sector to get easy funding and ensure timely completion of projects. From Company perspective, it benefited home buyers as it came under the lowest possible slab of the GST, thereby, enabling greater affordability for potential home. SEBI relaxed its norms to allow these trusts to invest more in Under Construction Assets and therefore they have a larger number of sponsors, which is creating a huge market for these sector.

Real Estate (Regulation and Development) Act

As per the Ministry of Finance's Economic Survey 2015-16, about 25 percent of Residential Real Estate projects are delayed due to poor project management, lack of capital commitment by developers and delay in seeking regulatory approvals. The Real Estate (Regulation and Development) Act is a landmark reform for the Real Estate Sector which has the potential to address these issues which have paralyzed its growth for the last few years. The Act is expected to modify traditional practices and bring out a more professional approach amongst developers.

Reference to above, Your Company is a major player in Mumbai Real Estate market with a land reserve of approx. 241.73 million Sq.ft. as on March 31, 2017, with 90% of its land reserves in Mumbai Metropolitan Region.

Your Company has been a major player in residential, commercial, affordable housing and redevelopment spaces. Relaxation of policies with regards to affordable housing & redevelopment and market's sign of regaining momentum will boost your Company in terms of new project launch and Floor Space Index ("FSI") sale.

B. THREATS & CHALLENGES:

Regulatory Hurdles

Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, project launches and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector.

Funding Problems

The RBI has set sectoral caps for the total maximum exposure of banks to real estate, including individual housing loans and lending to developers for construction finance which is quite low and is curtailing the growth of the sector. Absence of long term funding from banks is forcing developers to look at alternative sources of funds, most of which do not offer affordable interest rates.

Shortage of Manpower & Technology

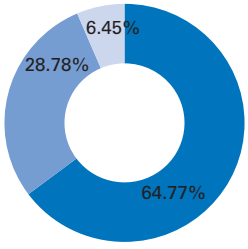
Despite being the third largest employer in the country the construction sector as a whole faces manpower shortage. Further the sector is heavily dependent on manual labour which increases the timelines for construction companies and results in supply getting deferred. Hence, technologically less labour intensive alternative methods of construction need to be adopted on a large scale through training and skill development of manpower.

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

Your Company has managed to improve its registration of project process over the previous year and the Management of your Company is satisfied with the performance during the current financial year, Specially with the registration of all the ongoing projects with the Government of Maharashtra established Maharashtra Real Estate Regulatory Authority (MahaRERA). From Company results prospective the major contributor to the profits are project sales, Transfer of Development Rights ("TDR") and FSI sale which gradually is value addition to the profitability of the Company. Your Company has the most efficient human capital with each team having expertise in its domain.

As on March 31, 2017, the portfolio of your Company comprised of residential component of 64.77%, commercial and retail 6.45% and SRA 28.78%.

HDIL Project Mix – Segment wise Breakup



Residential
Ongoing Projects - 28,257,810
Planned Projects - 131,749,589

Commercial & Retail
Commercial
Ongoing Projects - 2,750,000
Planned Projects - 6,960,000

Retail
Ongoing Projects - 64,456
Planned Projects - 16,727,821

SRA
Ongoing Projects - 12,559,035

Presently, the Company is executing projects at Nahur, Mulund, Kurla, Andheri, Ghatkopar, Virar and Palghar. There are some projects at various stages of construction and possession of some projects has already commenced.

4. OUTLOOK:

Although it's hard to forecast the Real Estate Market that is highly sentiment driven in India, several factors will drive the future trend. With the implementation of RERA 2016 by the states, the year 2017 will see the Indian Real Estate Sector to be more transparent, credible and attractive with only organised players on the ground. Most of the leading banks has slashed interest rates on home loans effective from January 1, 2017 and many other banks likely to follow the suit, which will definitely boost the confidence of buyers, investors and developers.

Company's major focus will be debt reduction with a plan to reduce it during this fiscal year. The Company will be focusing on project completion and execution along with TDR and FSI sale and to grow stronger over next 3-4 years.

5. RISKS AND CONCERNS:

Economic conditions have a greater bearing on the sector as a whole. Hence, sales depend highly on the growth of the economy. Liquidity in the market is pivotal for speeding up project execution and launch of new projects.

Though Government has taken various initiatives, more efforts in terms of approvals, policies, liquidity and also timeline of approval are required. Otherwise there is a possibility of the projects getting delayed in approval process and the regulator putting the entire blame on the developer.

6. INTERNAL CONTROL SYSTEMS:

The Company has an adequate system of internal controls to ensure that all assets are protected against loss from unauthorised use or disposal and to ensure all transactions are authorised, recorded and reported correctly. It has in place internal controls covering all fields across all financial and operating functions ranging from procurement of land to smooth execution of projects. Apart from ensuring that proper accounting policies and financial reporting regarding the same is made properly, the internal control team keeps a close watch on the schedules followed, to ensure that the Company is able to meet the delivery deadlines. The audit committees keep reviewing the internal audit reports from time to time, and offer suggestions for improvement of internal controls and systems within the Group. The statutory audit of the Company is conducted by M/s. Thar & Co., Chartered Accountants who submit their reports to the Board of Directors and Audit Committee

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS PERFORMANCE:

For F.Y. 2017-18, the Company's major focus will be Debt reduction with a plan to reduce it below ₹ 15%. The Company will be focusing on project completion along with TDR and FSI sale.

The key components of our strategy will be focused around:

- Speedy Project Completion;
- Handing over of Possession;
- Sale of TDR and FSI and
- Financial Strength and Liquidity

Wealth maximisation of our investors and stakeholders has been our strength and major objective. Our major focus is on improving end customer experience by providing good quality product at reasonable pricing with high product visibility and customised sales agreement. Improving product quality and timely execution has been and will always be our priority.

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Your Company considers its employees as its most important asset; and has created a work environment that ensures their continued well-being. It strongly aligns the organisation's growth with the growth of every individual who is functional in taking the organisation closer to its goals. It aims at attracting, nurturing and retaining the best industry talent; and invests substantial time and energy in maintaining an engaging human resource culture. New employees are trained to make them accustomed to the HDIL culture, while continuing employees are given ample opportunities to explore their talent and capabilities. The Company will continue to expand itself by virtue of its core intellect that resides with human resource. The Company had 513 employees on its rolls as on 31st March 2017, of which 13% of talents are women.

9. CAUTIONARY STATEMENT:

The above management discussion and analysis contains certain forward looking statements within the meaning of applicable security laws and regulations. These pertain to the company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulations etc.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2016-17

The Company aims to adhere highest standards of transparency, integrity and accountability towards all its stakeholders. The Company strongly believes that business excellence is the reflection of the professionalism, conduct and ethical values of its management and employees. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company ensures to comply with the requirements of Corporate Governance listed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as 'the Listing Regulations').

COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

The Company is committed to do business in an efficient, responsible, honest and ethical manner. Corporate Governance practice goes beyond compliance and involves a company-wide commitment and has become the integral part of business to ensure fairness, transparency and integrity of the Management. Good governance responsibilities encompasses the activities of the Board of Directors, who execute their Corporate Governance responsibilities by focusing on the Company's strategic and operational excellence in the best interests of all stakeholders of the Company, in particular shareholders, employees and our customers in a balanced fashion with long term benefits to all. Good Corporate Governance provides an appropriate framework for the Board, its Committees and the Executive Management to carry out the objectives that are in the interest of the Company and the Stakeholders. The core values of the Company's governance process include independence, integrity, accountability, transparency, responsibility and fairness. The business policies are based on ethical conduct, health, safety and a commitment to building long-term sustainable relationships with relevant Stakeholders. The Company is committed to continually evolve and adopt appropriate Corporate Governance best practices.

The philosophy of Corporate Governance is a principle based on our values and principles, which are reinforced at all levels within the Company. We observe:

- Transparency, fairness and timely disclosures;
- Fair and Equitable treatment to all shareholders and protection of shareholder's interests and rights;
- Compliances with all applicable laws and regulations;
- Ethical business decisions to meet stakeholder expectations and
- Accountability of the Board to the Company and its Stakeholders.

BOARD OF DIRECTORS:

The Board of Directors are entrusted with the ultimate responsibility of the Management, general affairs, direction and performance of the Company and have been vested with requisite powers, authorities and duties. The Management of the Company is headed by Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman & Managing Director and has business/ functional heads as its Members, which looks after the Management of the day to day affairs of the Company.

COMPOSITION OF BOARD

The Board of Directors of the Company comprises such number of Executive and Non-Executive Directors as required under applicable legislation. As on March 31, 2017, the Board consists of Six Directors comprising of one Executive Chairman, one Vice Chairman & Managing Director, and four Non-Executive Independent Directors including a Woman Director. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

All the Independent Directors have confirmed that they meet the 'Independence' criteria as mentioned under Section 149(6) of the Companies Act, 2013 ("**the Act**") and Regulation 16(1)(b) of the Listing Regulations.

The Composition of the Board, category of Directors and Directorship/Committee positions in other Companies as on March 31, 2017, is as under:

Name of the Director	Director Identification Number	Category	Other Directorships	Committee positions		Shareholding
				Chairperson	Member	
Mr. Rakesh Kumar Wadhawan	00028573	Promoter and Executive Chairman	8	-	-	1,75,00,000
Mr. Sarang Wadhawan	00028608	Promoter and Vice Chairman & Managing Director	6	-	5	1,91,59,115
*Mr. Ashok Kumar Gupta	00145816	Non-Executive Director	2	-	-	5,800
Mr. Lalit Mohan Mehta	00458975	Non-Executive Independent Director	-	-	-	-
Mr. Raj Kumar Aggarwal	02034914	Non-Executive Independent Director	1	1	-	-
Mrs. Sandhya Baliga	07015987	Non-Executive Independent Director	4	2	2	-
Mr. Hazari Lal	06696100	Non-Executive Independent Director	4	2	2	-

**Mr. Ashok Kumar Gupta ceased to be a Non-Executive Independent Director w.e.f. October 24, 2016.*

Note:

- The Directorship, held by Directors as stated above, does not include Alternate Directorships and Directorships in foreign companies, companies registered under section 8 of the Act and private limited companies.
- In accordance with the Regulation 26 of Listing Regulations, Membership/Chairmanship of only Audit Committees and Stakeholders Relationship Committees in all Public Limited Companies (Excluding Housing Development and Infrastructure Limited) have been considered.

Board Meetings:

Attendance in the last Annual General Meeting ("**AGM**") and the number of Board Meetings held and attended during the year are as under:

Sr. No.	Name of the Director	Category	Number of Board Meetings		Last AGM 30/09/2016
			Held	Attended	
1	Mr. Rakesh Kumar Wadhawan	Promoter and Executive Chairman	4	4	Yes
2	Mr. Sarang Wadhawan	Promoter and Vice Chairman & Managing Director	4	4	Yes
3	*Mr. Ashok Kumar Gupta	Non-Executive Director	4	2	Yes
4	Mr. Lalit Mohan Mehta	Non-Executive Independent Director	4	2	Yes
5	Mr. Raj Kumar Aggarwal	Non-Executive Independent Director	4	4	Yes
6	Mrs. Sandhya Baliga	Non-Executive Independent Director	4	4	No
7	Mr. Hazari Lal	Non-Executive Independent Director	4	4	Yes

**Mr. Ashok Kumar Gupta ceased to be the Non-Executive Independent Director w.e.f. October 24, 2016.*

Meetings:

During the period under review, 4 (Four) Board Meetings were held on May 28, 2016; September 10, 2016; December 13, 2016 and February 14, 2017.

The gap between any two consecutive Meetings did not exceed one hundred and twenty days.

BOARD PROCEDURES:

The procedures with respect to Board Meetings and the Meetings of the Committees thereof are in compliance with the requirements of the Act, Listing Regulations and other applicable laws and regulations.

The Board meets at least once in a quarter to review quarterly performance and financial results. Notice of Board Meetings along with agenda papers are circulated well in advance to all the Directors. All material information is incorporated in the agenda papers for facilitating focused discussions at the Meeting and the same are circulated in advance to the Directors.

The Board, in consultation with the Chairman, is free to recommend inclusion of any matter for discussions at the Meeting. In case of exigencies or any other item which is not included in Agenda are discussed only upon permission of Chairman of the Meeting and in presence of atleast one Independent Director.

Inter-se relationships between Directors and Key Managerial Personnel of the Company:

Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan share the relationship of father and son. Except Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan, none of the Directors and Key Managerial Personnel ("**KMP**") of the Company holds inter-se relationships during the F.Y. 2016-17.

INDEPENDENT DIRECTORS' MEETING:

Pursuant to Clause VII of the Code for Independent Directors, Schedule IV to the Act and Regulation 25(3) of the Listing Regulations, the Meeting of Independent Directors of the Company was held on March 23, 2017 and the following matters were discussed:

- the performance of Non-Independent Directors and the Board of Directors as a whole;
- the performance of the Executive Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties and
- Corporate governance practices followed by the Company.

COMMITTEES OF DIRECTORS

In compliance with the Listing Regulations (both mandatory and non-mandatory) and the Act, as on March 31, 2017, the Board has seven committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee ("**CSR Committee**"), Finance Committee and Project Committee.

The Committees have optimum combination of Executive, Non-Executive and Independent Directors including a Woman Director. The Committees are constituted with specific terms of reference and scope to deal with specific matters expediently. The details of the Committees constituted by the Board are as under:

AUDIT COMMITTEE:

i. Composition and Attendance:

The Audit Committee comprises of experts specialized in Accounting and Financial Management. The Chairperson of the Audit Committee is a Non-Executive Independent Director. The composition of the Audit Committee, as on March 31, 2017, is as under:

Sr. No.	Name of the Director	Category	Designation	Number of Meetings	
				Held	Attended
1	Mrs. Sandhya Baliga	Non-Executive Independent Director	Chairperson	4	3
2	*Mr. Ashok Kumar Gupta	Non-Executive Director	Member	4	2
3	Mr. Lalit Mohan Mehta	Non-Executive Independent Director	Member	4	2
4	Mr. Raj Kumar Aggarwal	Non-Executive Independent Director	Member	4	4

**Mr. Ashok Kumar Gupta ceased to be the Member of the Committee w.e.f. October 24, 2016.*

Meetings:

During the period under review, 4 (four) Audit Committee Meetings were held on May 28, 2016, September 10, 2016, December 13, 2016 and February 14, 2017.

The Chief Financial Officer & Company Secretary has regularly attended the Audit Committee Meetings. The Statutory Auditors and Internal Auditors are permanent invitees to the Audit Committee Meetings.

ii. Terms of reference:

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal control system, discussion on quarterly, half-yearly and annual financial results, interaction with Statutory and internal Auditors, one-on-one Meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and Cost Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, review of Business Risk Management Plan, Management Discussions and Analysis, review of Internal Audit Reports, significant related party transactions. The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. In fulfilling above role, Audit Committee has powers to investigate any activity within terms of reference, to seek information from employees and to obtain outside legal and professional advice.

NOMINATION AND REMUNERATION COMMITTEE:

The Board has framed the Nomination and Remuneration Committee Charter which ensures effective compliance of Section 178 of the Act and Regulation 19 of the Listing Regulations. The Board has clearly defined the terms of reference for the Nomination and Remuneration Committee, which are as under:

i. Composition:

The composition of the Nomination and Remuneration Committee is as under:

Sr. No.	Name of the Director	Category	Designation	Number of Meetings	
				Held	Attended
1	Mr. Lalit Mohan Mehta	Chairman	Non-Executive Independent Director	1	0
2	Mr. Ashok Kumar Gupta*	Member	Non-Executive Director	1	1
3	Mr. Raj Kumar Aggarwal	Member	Non-Executive Independent Director	1	1
4	Mr. Hazari Lal**	Member	Non-Executive Independent Director	1	0

**Mr. Ashok Kumar Gupta ceased to be the Member of the Committee w.e.f. October 24, 2016.*

***Mr. Hazari Lal was appointed as Member of Committee w.e.f. December 13, 2016*

ii. Meetings:

During the period under review, the Committee has met on May 28, 2016.

iii. Terms of Reference:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-Time Director and Senior Management.
- To help in determining the appropriate size, diversity and composition of the Board.
- To recommend to the Board appointment and removal of Director.
- To frame criteria determining qualifications, positive attributes and independence of Directors.
- To recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Act, is to be considered).
- To create an evaluation framework for Independent Directors and the Board.
- To provide necessary reports to the Chairman after the evaluation process is completed by the Directors.
- To assist in developing a succession plan for the Board.

- To assist the Board in fulfilling responsibilities entrusted from time to time.
- Delegation of any of its power to any Member of the Committee or the Compliance Officer.

iv. Performance Evaluation Criteria for Directors:

The criterion for performance evaluation is as under:

Role of Accountability:

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

Objectivity:

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

Leadership and Initiative:

- Heading Board and sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

Personal Attributes:

- Commitment to role and fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

v Policy:

The Company has in place a policy on Nomination and Remuneration of Directors and Senior Managerial Personnel and the policy is annexed as Annexure I.

The details of remuneration of Non-Executive Directors during the F.Y. 2016-17:

(₹ in Lacs)

Sr. No.	Director	Remuneration paid during F.Y. 2016-17		
		Sitting fees	Commission**	Total
1	*Mr. Ashok Kumar Gupta	1.20	18.96	20.13
2	Mr. Lalit Mohan Mehta	0.80	33.33	34.13
3	Mr. Raj Kumar Aggarwal	1.80	33.33	35.13
4	Mr. Hazari Lal	1.20	33.33	34.53
5	Mrs. Sandhya Baliga	0.80	33.33	34.13

** Mr. Ashok Kumar Gupta ceased to be the Non-Executive Independent Director w.e.f. October 24, 2016.*

***Subject to the approval of Annual Accounts for the F.Y. 2016-17 by the Members at 21st AGM to be held on September 29, 2017. None of the Non-Executive Directors has any pecuniary interest in the Company, except for Sitting Fees and Commission.*

****Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman & Managing Director have not taken any remuneration for the F.Y. 2016-17.*

STAKEHOLDERS RELATIONSHIP COMMITTEE:

This Committee is in place to specifically look into issues relating to redressal of the investors/shareholders complaints including complaints relating to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends and/or any other matter relating to investor/shareholders.

i. Composition:

The composition of the Stakeholders Relationship Committee is as under:

Sr. No.	Name of the Director	Category	Designation	Number of Meetings	
				Held	Attended
1	Mr. Lalit Mohan Mehta	Chairman	Non-Executive Independent Director	1	-
2	Mr. Sarang Wadhawan	Member	Vice Chairman & Managing Director	1	1
3	*Mr. Ashok Kumar Gupta	Member	Non-Executive Director	1	1

**Mr. Ashok Kumar Gupta ceased to be Member of the Committee w.e.f. October 24, 2017.*

Mr. Darshan D. Majmudar is the "Compliance Officer" pursuant to the requirement of the Listing Regulations. The Committee Meetings takes place depending on the business requirement.

ii. Details of Compliance Officer:

Name and Designation of the Compliance Officer	Mr. Darshan D. Majmudar Chief Financial Officer & Company Secretary
Address & Contact details	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051 Tel.: +91 22 6788 9052, Fax: +91 22 6788 9090
e-mail id	darshan.majmudar@hdil.in

iii. Meetings:

During the period under review, the Committee has met on May 28, 2016.

iv. Terms of reference:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Approve issue of the Company's duplicate share/ debenture certificates.

- Consider, resolve and monitor redressal of investors'/ shareholders'/security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee performance of the Company's Registrar and Share Transfer Agent ("RTA").
- Recommend methods to upgrade the standard of services to investors;
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time and/or enforced by any statutory notification/amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

v. Investors' Complaints:

The Company and Karvy Computershare Private Limited, RTA, attend to all grievances of the investors received directly or through SEBI, Stock Exchanges and Registrar of Companies ("ROC") etc.

The detail of complaints received, cleared/pending during the F.Y. 2016-17 is as under:

No. of complaints received	:	52
No. of complaints resolved	:	52
No. of complaints withdrawn	:	Nil
No. of complaints pending	:	Nil

Note : During the financial year 2016-17, the Company has received 52 queries through e-mails and all of these queries were answered appropriately.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

i. Composition:

The composition of CSR Committee is pursuant to the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Pursuant to Provisions of Section 135 of the Act, the Company was required to spend ₹ 522.67 Lacs during the F.Y. 2016-17. The composition of the CSR Committee is as under:

Sr. No.	Name of the Director	Category	Designation	Number of Meetings	
				Held	Attended
1	Mr. Rakesh Kumar Wadhawan	Chairman	Executive Chairman	1	1
2	Mr. Sarang Wadhawan	Member	Vice Chairman & Managing Director	1	1
3	Mr. Lalit Mohan Mehta	Member	Non-Executive Independent Director	1	1

ii. Meetings:

During the period under review, the Committee has met on May 28, 2016.

iii. Terms of reference:

- To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy indicating activities to be undertaken by the Company in compliance with the provisions of the Act and rules made thereunder.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the CSR Policy of the Company from time to time.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable as may be necessary or appropriate for performance of its duties.

FINANCE COMMITTEE:

i. Composition:

The composition of the Finance Committee is as under:

Sr. No.	Name of the Director	Category	Designation	Number of Meetings	
				Held	Attended
1	Mr. Rakesh Kumar Wadhawan	Chairman	Executive Chairman	8	8
2	Mr. Sarang Wadhawan	Member	Vice Chairman & Managing Director	8	8
3	*Mr. Ashok Kumar Gupta	Member	Non-Executive Director	8	5

**Mr. Ashok Kumar Gupta ceased to be the Non-Executive Independent Director w.e.f. October 24, 2016.*

ii. Meetings:

During the period under review, the Committee met 8 (Eight) times on April 23, 2016; July 27, 2016; July 29, 2016; September 8, 2016; September 24, 2016; December 2, 2016; March 4, 2017 and March 17, 2017.

iii. Terms of reference:

- To mortgage and/or create charge on all or any one or more of the moveable/immoveable properties or such other assets of the Company not exceeding the amount as decided by the Shareholders under Section 180(1)(a) of the Act.
- To borrow money not exceeding the amount as decided by the Shareholders under Section 180(1)(c) of the Act and to modify/restructure terms of any security of existing loans, debentures or such other securities and issue guarantees on behalf of the Company and to allot securities.
- To buy and sell the investments of the Company.

- To open banking account, avail various banking services/ facilities and to issue instructions for operation of banking accounts.
- To authorise and/or appoint lawyers, advocates, attorney, persons, firm(s), to make representations and to sign, execute, swear, affirm, file affidavits, declaration, vakalatnama, written statement, rejoinder(s), replies, submit necessary documents, enter into various agreements on behalf of the Company.
- To authorise and appoint any person(s) to appear before any authority, government/statutory bodies, courts or Company.
- To develop, submit and apply for bid/tender for any projects whether related to the Company's object or not.
- To make application(s) for registration under any act, statute, regulations, authority in the name of the Company and/or to authorise to do so on behalf of the Company.

GENERAL BODY MEETINGS:

Details of venue, day, date and time where the last three AGM of the Company were held:-

Financial Year	Location	Day and Date	Time
2015-16	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	Thursday, September 29, 2016	11:00 a.m.
2014-15	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	Wednesday, September 30, 2015	11:00 a.m.
2013-14	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	Tuesday, September 30, 2014	11:00 a.m.

The details of Special Resolutions passed in the last three AGM:

AGM Date	Brief particulars of the Resolution
29.09.2016	1. Fund raising Programme of the Company.
30.09.2015	1. Fund raising Programme of the Company. 2. Alteration of Capital Clause contained in the Memorandum of Association.
30.09.2014	1. Payment of commission to Non-Executive Directors. 2. Amend the Articles of Association as per provisions of the Act.

Resolutions Passed through Postal Ballot:

During the year under review, pursuant to Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory amendment(s) or re enactment(s) made thereunder); your Company passed the following resolution through postal ballot as per the details below:

Special resolution under Section 62(1)(c), 42 and other applicable provisions of the Companies Act, 2013 and rules made thereunder to approve the issue of 2,09,00,000 (Two Crore Nine Lakh only) Warrants, convertible into equivalent number of Equity Shares of ₹ 10/- each to Mr. Sarang Wadhawan, Promoter of the Company on preferential basis at a price which shall not be less than the minimum price as may be arrived at in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations"), as amended from time to time.

a. Mr. S. Anand SS Rao (FCS No. 5716 and CP No. 5687), Practicing Company Secretary was appointed as the Scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

b. The Company had completed the dispatch of the Postal Ballot Notice dated May 16, 2016 together with the explanatory statement on Tuesday, June 14, 2016 along with forms and postage prepaid business reply envelops to all the shareholders whose name(s) appeared on the Register of Member/list of beneficiaries as on Saturday, May 28, 2016.

c. The voting under the postal ballot was kept open from 9.00 A.M. on Wednesday, June 15, 2016 to 5.00 P.M. on Thursday, July 14, 2016 (either physically or through electronic mode).

d. All postal ballots forms, received/receivable on or before 5.00 P. M. on Thursday, July 14, 2016, the last date and time fixed by the Company for receipt of the forms, had been considered for security or voting purpose.

e. On Saturday, July 16, 2016, at 5.00 P.M. the results of the postal ballot as per the scrutinizers report was announced and declared that the above special resolution was passed with requisite majority. 28,20,73,695 equity shares votes were in favour to the resolution and 6,47,130 were against the resolution.

MEANS OF COMMUNICATION

- Quarterly results:

  The newspapers wherein results are normally published:

Newspapers	Cities of Publication
Business Standard	All
The Financial Express	All
The Economic Times	All
Maharashtra Times	Mumbai, Pune & Nasik
DNA Money	Mumbai
Financial Chronicle	All
Business Line	All
Mint	All
Free press journal + Navshakti	Mumbai

- The following information is also promptly displayed on the Company's website www.hdil.in. Financial Results, Shareholding Pattern, Annual Report and the Presentations, as and when made, to the media and analysts in the 'Investor Relations' Section and 'Corporate Governance' Section.

- The Quarterly/Half yearly/Annual Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed with the Stock Exchanges for dissemination on their respective websites.

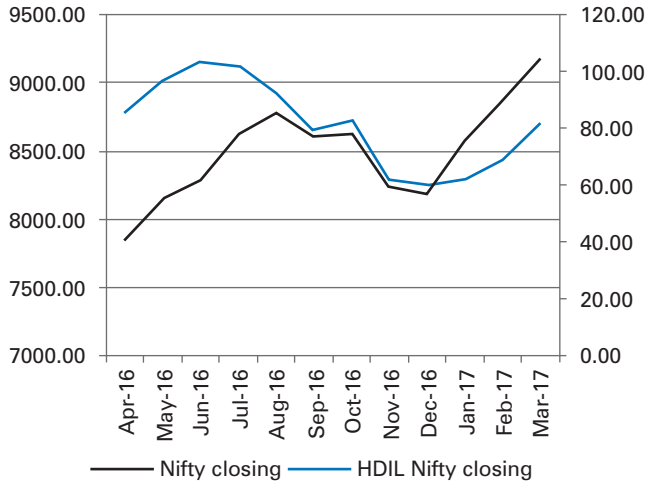
GENERAL SHAREHOLDERS INFORMATION:

AGM date, venue and time	September 29, 2017, Mumbai Cricket Association Recreation Centre (MCA), G – Block, RG-2, Near Laxmi Towers, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 At 11:00 a.m. (IST)
Financial year	April 1 to March 31
Dividend Payment Date	N.A.
Listing on Stock Exchanges	1. **Bombay Stock Exchange (“BSE”)** - Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. 2. **National Stock Exchange of India (“NSE”)** - Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.
Scrip Code at BSE	532873
Symbol Code at NSE	HDIL
ISIN of the Equity Share of the Company	INE191I01012
Listing Fees	The Company has paid annual listing fees for the year 2017-18 to National Stock Exchange of India Limited and BSE Limited.
Date of Book Closure:	Saturday, September 23, 2017 to Friday, September 29, 2017
Plant Location(s)	N.A.
Corporate Identification Number	L70100MH1996PLC101379

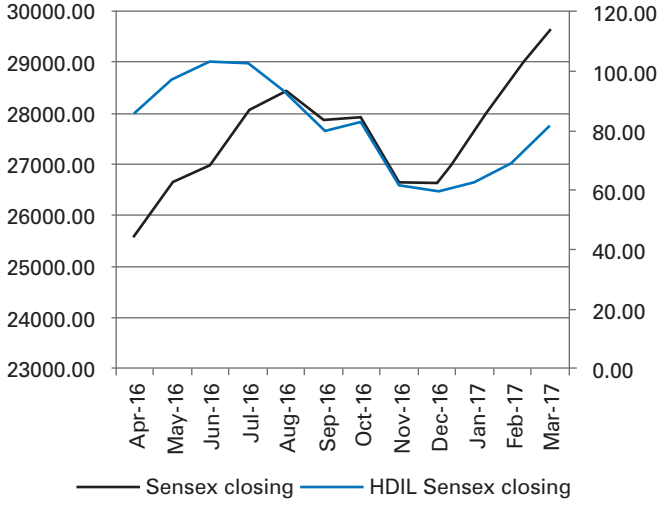
Market price data:

Month	Stock Exchange							
	BSE				NSE			
	Share Price		Sensex		Share Price		Nifty	
	High	Low	High	Low	High	Low	High	Low
	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)
April, 2016	88.20	71.40	26,100.54	24,523.20	88.25	71.30	7,992.00	7,516.85
May, 2016	102.40	79.10	26,837.20	25,057.93	102.50	79.15	8,213.60	7,715.80
June, 2016	108.20	92.30	27,105.41	25,911.33	108.30	92.25	8,308.15	7,927.05
July, 2016	108.75	98.25	28,240.20	27,034.14	108.70	98.40	8,674.70	8,287.55
August, 2016	103.75	89.70	28,532.25	27,627.97	103.70	89.55	8,819.20	8,518.15
September, 2016	102.30	76.20	29,077.28	27,716.78	102.30	76.05	8,939.15	8,555.20
October, 2016	85.35	77.00	28,477.65	27,488.30	85.30	76.85	8,806.95	8,506.15
November, 2016	83.10	53.95	28,029.80	25,717.93	83.10	53.95	8,669.60	7,916.40
December, 2016	64.40	52.25	26,803.76	25,753.74	64.45	52.30	8,274.95	7,893.80
January, 2017	65.95	60.00	27,980.39	26,447.06	66.00	60.20	8,672.70	8,133.80
February, 2017	72.45	62.00	29,065.31	27,590.10	72.50	61.85	8,982.15	8,537.50
March, 2017	82.85	67.00	29,824.62	28,716.21	82.85	67.15	9,218.40	8,860.10

Closing Value of HDIL Scrip on NSE and Nifty 50 Index



Closing Value of HDIL Scrip on BSE and S&P BSE Index



Debenture Trustee:

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001
Tel No.: +91 22 4080 7000
Fax: +91 22 6631 1776
Email id: itsl@idbitrustee.com

Registrar and Share Transfer Agent:

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32,
Financial District, Gachibowli, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, India
Tel: +91 040 6716 1500;
Fax: +91 040 2300 1153;
Toll Free Number: 1800 3454001;
e-mail: einward.ris@karvy.com
Website: www.karvy.com

Share Transfer System:

Shares in physical form lodged for transfer with the Company's Registrar and share transfer agent ("**RTA**") are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects and put up for approval before the Stakeholders Relationship Committee generally once in every fortnight. Stakeholders Relationship Committee of the Directors is empowered to approve transfer of shares and to attend to the investors' grievances, which are not normally resolved by the Company's RTA/ Compliance Officer.

Matters concerning investors' grievances and other miscellaneous matters relating to change of address, mandates, etc. are processed by the Company's RTA.

All requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited ("**NSDL**") and Central Depository Services (India) Limited ("**CDSL**"). The Company also offers transfer cum demat facility.

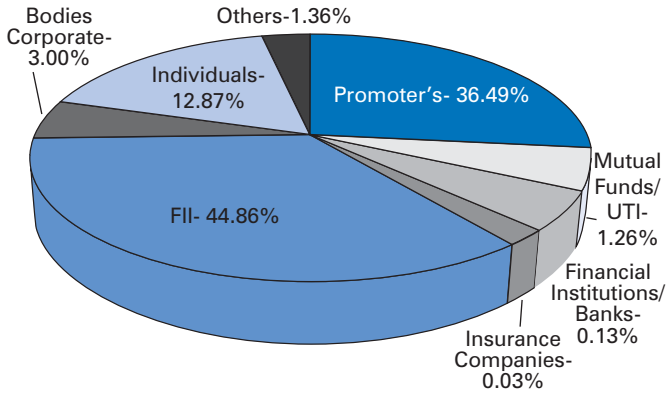
Distribution of Shareholding as on March 31, 2017:

Shareholding of nominal value	Shareholders		Share Amount	
	Number	% to Total	Amount in ₹	% to Total
Up to – 5000	183378	90.40	19,80,18,690	4.56
5001 – 10000	10556	5.20	8,36,54,540	1.93
10001 – 20000	4846	2.39	7,27,38,810	1.68
20001 – 30000	1463	0.72	3,72,60,340	0.86
30001 – 40000	601	0.30	2,14,90,260	0.50
40001 – 50000	490	0.24	2,31,69,220	0.53
50001 – 100000	789	0.39	5,73,46,680	1.32
100001 and above	732	0.36	3,84,63,61,320	88.63
TOTAL	**202855**	**100.00**	**4,34,00,39,860**	**100.00**

Shareholding Pattern as on March 31, 2017:

Sr. No.	Category of Shareholder	Number of Shares	As a percentage of (A+B)
(A)	**PROMOTER'S HOLDING**		
(1)	Indian	15,83,51,266	36.49
(2)	Foreign	-	-
	Total A=A(1)+A(2)	**15,83,51,266**	**36.49**
(B)	**NON PROMOTER'S HOLDING**		
(1)	**INSTITUTIONS**		
(a)	Mutual Funds/UTI	54,80,094	1.26
(b)	Financial Institutions/Banks	562283	0.13
(c)	Insurance Companies	147857	0.03
(d)	Foreign Institutional Investors	19,46,96,034	44.86
(2)	**NON-INSTITUTIONS**		
(a)	Bodies Corporate	13040931	3.00
(b)	Individuals	5,58,40,013	12.87
(c)	Others		
	Non Resident Indians	1951389	0.45
	Trusts	5,658	0.00
	Overseas Corporate Bodies	13	0.00
	Clearing Members	39,27,948	0.91
	Total B=B(1)+B(2)	**27,56,52,720**	**63.51**
	GRAND TOTAL (A+B)	**43,40,03,986**	**100.00**

SHARE HOLDING PATTERN



Dematerialisation of shares and liquidity:

As at March 31, 2017, 99.99% of shareholding aggregating to 43,39,44,536 shares were held in dematerialised form with NSDL and CDSL, while 0.01% aggregating to 59,450 shares were held in physical form.

Outstanding Global Depository Receipts ("GDRs")/American Depository Receipts ("ADRs")/Warrants or any convertible instruments, conversion date and likely impact on equity:

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2017, likely to have an impact on the Equity Share Capital of the Company.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods and generation of services from third parties, it is all the more subject to risk and rewards of price variations. The Company is, to a certain extent, able to manage the risks of adverse price movements by giving all inclusive construction contracts, with a built in mechanism for moderation of any substantial price movement of key components of the contract. In respect of contract for finishing and facade items, the commodity/hedging market for these items is not fully developed and the Company keeps on evaluating on continuous basis opportunities for price risk minimisations. In respect of inward remittances from eligible overseas buyers of the residential units constructed by the Company, all billing is in INR and hence the Company is immune to foreign exchange risk on this account.

Address for Correspondence:

Housing Development and Infrastructure Limited
9-01, HDIL Towers, Anant Kanekar Marg,
Bandra (East), Mumbai – 400051
e-mail id – info@hdil.in

DISCLOSURES:

- **Materially significant related party transactions:**

  The Company has no material transactions with its related parties that may have a potential conflict with the interest of the Company. The details of transaction between the Company and the related parties are disclosed for information in Note No. 37 of the Notes to the Financial Statement for the F.Y. ended March 31, 2017.

- **Compliance with mandatory requirements and adoption of non-mandatory requirements:**

  The Board of Directors periodically reviewed the compliance of all applicable laws and there were no instances of non-compliance. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted some non-mandatory requirements.

- **Non-compliance by the Company, penalties, strictures imposed by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years:**

  There has been no non-compliance by the Company or penalty, strictures imposed by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

- **Vigil Mechanism/Whistle Blower Policy:**

  The Company has in place a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management of any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. The Company has provided dedicated e-mail addresses chairperson.auditcomm@hdil.in for reporting such concerns. Alternatively, employees can also send written communications to the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy. All cases registered under the Code of Business Principles and the Whistle Blower Policy of the Company, are to be reported to the Audit Committee. The Whistle Blower Policy is available on the website of the Company i.e. www.hdil.in.

- **Policy for determining Material Subsidiaries:**

  The Company has framed Policy for determining material subsidiaries which is disclosed on website of the Company at http://www.hdil.in/pdf/policies/policy-for-determining-material-subsidiary.pdf

- **Policy on dealing with related party transactions:**

  The Company has framed Policy on dealing with related party transactions which is disclosed on website of the Company at http://www.hdil.in/pdf/policies/policy-on-materiality-of-and-dealing-with-related-party-transactions.pdf

- **Familiarisation Programme:**

  The Company has designed a well-structured framework for induction and orientation of Independent Directors. The Company undertakes various measures to familiarise Independent Directors about the Company, its business, updates and development which includes issue of formal letter of appointment prescribing role, functions, duties, responsibilities, etc., periodic presentations are made at the Meetings of Board of Directors and Committees on business environment, strategies, business performance, litigations, compliances, financial parameters and risk involved thereof. Details of training and familiarisation programme aims to provide insights into the Company to enable Independent Directors to understand the business, functionaries and other matters.

  The induction process is designed to:

  - build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;
  - provide an appreciation of the role and responsibilities of the Director;
  - fully equip Directors to perform their role on the Board effectively and
  - develop understanding of Company's people and its key stakeholder relationships.

  The details in respect of Familiarisation Programme are available on the website of the Company at http://www.hdil.in/pdf/policies/familiarisation-programme-for-independent-directors.pdf

- **Disclosure of Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

  Company do not enter into hedging of commodities or forex, so exposure to such risk is minimal.

- **Report on Non-mandatory requirements under Regulation 27(1):**

  a. **The Board:** As per para A of Part E of Schedule II of the Listing Regulations, a non-executive Chairman of the Board may be entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.

  b. **Shareholders Rights:** We display our quarterly, half yearly and annual results on our website www.hdil.in and also publish our results in widely circulated newspapers. The complete Annual Report is sent to every Shareholder of the Company.

  c. **Modified opinion(s) in audit report:** The Statutory Auditors have issued an unqualified opinion on the financial statements of the Company.

  d. **Separate posts of Chairman and Chief Executive Officer:** The position of the Chairman and the Chief Executive Officer is separate.

  e. **Reporting of internal auditor:** The Internal Auditor reports to the Audit Committee.

- **Statutory Compliance and Penalties:**

  The Company has complied with all the provisions mentioned under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations and there were no instances of non-compliance nor have any penalties been imposed by the Stock Exchanges or Securities and Exchange Board of India ("SEBI").

For and on behalf of the Board of Directors

Mr. Rakesh Kumar Wadhawan
Executive Chairman
(DIN : 00028573)

Place: Mumbai
Date: May 30, 2017

DECLARATION BY THE MANAGING DIRECTOR

I, Sarang Wadhawan, Vice Chairman & Managing Director of Housing Development and Infrastructure Limited, hereby declare that all the Members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended March 31, 2017.

Place: Mumbai
Date: May 30, 2017

Sarang Wadhawan
Vice Chairman & Managing Director

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Housing Development and Infrastructure Limited

We have examined all the relevant records of **Housing Development and Infrastructure Limited ("the Company")** for the purpose of certifying compliance of the conditions of the Corporate Governance under Regulation 17 to 27, clauses (b) to (i) of sub- regulation (2) of Regulation 46 and paras C, D and E of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**") from the period April 1, 2016 to March 31, 2017. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. 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 and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the Listing Regulations, the Company has complied with all the applicable requirements.

for **Thar & Co.**
Chartered Accountants
Firm Registration Number - 110958W

Jayesh R. Thar
Partner
Membership No. 032917

Place: Mumbai
Date: May 30, 2017

NOMINATION AND REMUNERATION POLICY

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 and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company.

The policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company hasbeen formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors at its meeting held on May 15, 2015.

OBJECT AND PURPOSE

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees. The policy is framed with the objective(s):

- That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- That the remuneration to Directors, Key Managerial Personnel, and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration;
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
- To carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage and
- To lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

APPLICABILITY AND GOVERNING LAW

This policy is applicable to all Directors viz: Executive, Non-Executive and Independent, Key Managerial Personnel and Senior Management Personnel of the Company.

This policy shall be governed by the Act read with Rules made thereunder, as may be in force for the time being as well as Clause 49 of the Listing Agreement or such other Rules/Regulations, as may be notified by SEBI from time to time. Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are reenactments (whether with or without modification).

DEFINITIONS

In this policy unless the context otherwise requires:

"Act" shall mean the Companies Act, 2013 and the Rules and Regulations notified thereunder.

"**Board of Directors"** or "Board" in relation to the Company means the collective body of the Directors of the Company.

"Company" means Housing Development and Infrastructure Limited.

"Directors" means Directors of the Company.

"Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"Key Managerial Personnel" (KMP) in relation to a Company means

i. The Chief Executive Officer, or the Managing Director or the Manager;

ii. The Company Secretary;

iii. The Whole-time Director;

iv. Chief Financial Officer; and

v. such other officer as may be prescribed under the Act.

"Senior Management Personnel" mean employees of the company who are members of its core management team excluding Board of Directors including the functional/vertical heads.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall have minimum three directors as members and out of which not less than one half shall be Independent Directors. The Nomination and Remuneration Committee comprises of following Directors:

1)	Mr. Lalit Mohan Mehta	Non-executive Independent Director	Chairman
2)	Mr. Hazari Lal	Non-executive Independent Director	Member
3)	Mr. Raj Kumar Aggarwal	Non-executive Independent Director	Member

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The role of the Committee inter-alia will be the following:

- Identify person who is qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performances;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Employees;

- Devising a policy on Board diversity;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Ensure that the Board comprises of a balanced combination of Executive Directors and Non- executive Directors and also the Independent Directors and
- Decide/approve details of fixed components and performance linked incentives along with criteria.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

i. Appointment criteria and qualifications:

- 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 about his/her appointment;
- 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;
- 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 the Shareholders of the Company.

ii. Term/Tenure:

- 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 year before the expiry of term;
- 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;
- No Independent Director shall hold office for more than two consecutive terms, 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;
- 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.

iii. Evaluation:

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

iv. Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations, 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.

v. 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.

REMUNERATION FOR DIRECTOR, KMP AND SENIOR MANAGEMENT

The general features of Remuneration for Director, KMP and Senior Management Personnel are as under:

- The remuneration/compensation/commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole time Director and Managing Director shall be in accordance with the percentage/slabs/conditions laid down in the Articles of Association of the Company and as per the provisions of the Act and the rules made thereunder.
- Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.
- This Remuneration Policy shall apply to all future/continuing employment/engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes.

i. Remuneration to Whole-time/Executive/Managing Director

Fixed pay:

The Whole-time Director, Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break- up of the pay scale and quantum of perquisites including, employer's contribution to Provident and Pension Fund, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration

to its Whole-time Director/Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration:

If any Whole-time Director/Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior approval of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

ii. Remuneration/Commission to Non - Executive/Independent Director

Remuneration/Commission:

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

Sitting Fees:

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 20,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Further the boarding and lodging expenses shall be reimbursed to the Directors.

Commission:

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1 percentage of the profits of the Company computed as per the applicable provisions of the Act.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

REVIEW

This Policy shall be reviewed by the Board of Directors on its own and/or as per the recommendations of the Nomination and Remuneration Committee, as and when deemed fit.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number(CIN)	L70100MH1996PLC101379			
2	Name of the Company	Housing Development and Infrastructure Limited			
3	Registered Address	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai - 400051			
4	Website	www.hdil.in			
5	E-mail id	darshan.majmudar@hdil.in			
6	Financial Year reported	April 1, 2016 to March 31, 2017			
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	**As per NIC Code**			
		Group	**Class**	**Sub-Class**	**Description**
		681	6810	68100	Real Estate Activities with own or leased property
8	List three key product(s)/service(s) that the Company manufactures/provides (as in balance sheet)	a) Residential b) Commercial/Industrial c) Slum Rehabilitation Projects			
9	Total number of locations where business activity is undertaken by the Company:				
	(a) International Locations	NIL			
	(b) National Location	Company operates mostly in Mumbai.			
10	Markets served by the Company (Local/State/ National/International)	**Local**	**State**	**National**	**International**
		Y	Y	-	-

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up capital (₹)	₹ 4,34,00,39,860
2	Total turnover (₹)	₹ 7,46,17,74,239
3	Total Profit after taxes (₹)	₹ 1,75,24,57,604
4	Total Spending on CSR as percentage of profit After tax (%)	Nil
5	List of activities in which expenditure in 4 above has been incurred	N.A

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	Yes, the Company has 8 (Eight Subsidiaries)
2	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)?	Business Responsibility initiatives of the parent company are applicable to the subsidiary companies to the extent that they are material in relation to the business activities of the subsidiaries.
3	Do any other entity/entities (e.g. suppliers, distributors etc) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No other entity/entities participate in the BR initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR:

(a) Details of the Director/Directors responsible for implementation of the BR Policy/Policies:

Directors Identification Number (DIN)	00028573
Name	Mr. Rakeshkumar Wadhawan
Designation	Executive Chairman & Whole Time Director

(b) Details of the BR Head:

Sr. No.	Particulars	Details
1	DIN (if applicable)	00028608
2	Name	Mr. Sarang Rakeshkumar Wadhawan
3	Designation	Managing Director
4	Telephone Number	+91 22 6788 9090
5	E mail Id	swadhawan@hdil.in

2. Principle-wise (as per NVGs) BR Policy/Policies:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights.
P6	Business should respect, protect and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sr. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for …	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	-								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	View is restricted to employee								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	Not Applicable								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 Months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Governance related to BR:

a	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	The Director periodically assesses the BR performance of the Company.
b	Does the Company publish a BR or a Sustainability Report? What is the hyper-link for viewing this report? How frequently it is published?	In line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibility of Business (NVG), company will publish Business Responsibility Report (BRR) Annually. As the said report is applicable w.e.f. from financial year 2016-17.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Business should conduct and govern themselves with Ethics, Transparency and Accountability:

1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	The Company has adopted a Code of Conduct for its Directors and Senior Management. Additionally, the Policy on Code of Conduct for Employees applies to all employees of Group companies. These do not extend to other entities.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Nil

Principle 2: Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	a) Residential b) Commercial/Industrial c) Slum Rehabilitation Projects
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional):	
	Reduction during sourcing/production/distribution achieved since the previous year through the value chain:	Not applicable.
	Reduction during usage by consumers (energy, water) achieved since the previous year?	Not applicable. Company is not in business of manufacturing of goods or consumable products.
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	As part of sourcing strategy, our priority is to source local raw materials for construction of Residential & Commercial Building. Moreover, we strive to design and construct sustainable Projects which incorporate conservation measures, continuous monitoring of environment and use of resources that are environment friendly, adoption of green technologies and deployment of fuel efficient plants and machineries. Invariably, construction material like sand Bricks, wood etc are procured locally eliminating unnecessary transportation. While, it may not be possible to procure Bitumen Steel and Cement locally, in such cases only, the nearest source is explored for procurement.
4	Has the Company undertaken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?	Our Company believes in Long term partnership and engage local contractors & Sub-contractors in the vicinity of our projects for supply of goods and services like housekeeping services, security, and accommodation and provide mess facilities for staff, where it's not possible for them to afford the food. In addition, employment to local youth is provided in various functions on short term basis in our Project to supervise and look over the function of labours.
	(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	The Company has adopted safety as a Culture. Our regular interaction with the vendors & Contractor on on-going basis, educating them the standards of quality & safety measures required by us at the project sites, this work as a value addition to their knowledge specially in understanding the Quality standard on raw-materials and Safety measures required in the Project arena for the workforce. This enhance their approach towards the work and help to keep eagle eye on working at project site.

		Apart from this, at the project sites, steps undertaken to award small/ petty contracts to locals pertaining to job work, equipment supply, supplies, manpower, etc. thereby building the capability/capability at local level.
5	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	Recycling the product is not applicable as consumable goods and the associated packing material is not applicable.

Principle 3: Business should promote the wellbeing of all employees

1	Please indicate total number of employees	513			
2	Please indicate total number of employees hired on temporary/contractual/casual basis	Nil			
3	Please indicate the number of permanent women employees	42			
4	Please indicate the number of permanent employees with disabilities	Nil			
5	Do you have an employee association that is recognized by the Management?	Nil			
6	What percentage of permanent employees is members of this recognized employee association?	Nil			
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	Nil			
8	What percentage of under mentioned employees were given safety and skill up-gradation training in the last year?	A	Permanent employees	:	Nil
		B	Permanent women employees	:	Nil
		C	Casual/Temporary/Contractual employee	:	N/A
		D	Employees with disabilities	:	N/A

Principle 4: Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes, Stakeholders of the company have been mapped through a formal process of consultations at all operations. The Company's key stakeholders include employees, suppliers, business partners, Government, Slum Rehabilitation Authority regulatory agencies and especially local communities around its sites of operations.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?	Yes, the Company has identified the disadvantaged, vulnerable and the marginalized sections within the local communities around its sites of operations.
3	Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.	As and when circumstances occur.

Principle 5: Business should respect and promote human rights:

1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?	Yes. Policy on human rights covers employees of the company as well as employees of the subsidiaries.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Nil

Principle 6: Business should respect, protect and make effort to restore the environment

1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	Yes, it extends to Company as well as subsidiaries.
2	Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming etc? Y/N. If yes, please give hyper-link for webpage etc.	No, the Company does not have any strategies/initiatives to address global environmental issues such as climate change, global warming etc.
3	Does the Company identify and assess potential environmental risks? Y/N	Yes
4	Does the Company have any project related to Clean Development Mechanism (CDM)? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes, the Company has undertaken many other initiatives on energy efficiency and energy conversation.
6	Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes. Complied with and same is within permissible Limit.
7	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on the end of Financial Year.	Nil

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1	Is your Company a member of any trade and chambers of association? If yes, name only those major ones that your business deals with.	Nil
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Y/N; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	Nil

Principle 8: Business should support inclusive growth and equitable development

1	Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes. Company has a well drafted CSR Policy in line with Section 135 and Schedule VII of the Companies Act, 2013.
2	Are the programmes/projects undertaken through inhouse team/own foundation/external NGO/government structures/any other organization?	N.A.
3	Have you done any impact assessment of your initiative?	No
4	What is the Company's direct contribution to community development projects - Amount in INR and details of the projects undertaken?	No
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	No

Principle 9: Business should engage with and provide value to their customers and consumers in a responsible manner.

1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	0.0001%
2	Does the Company display product information on the product label, over and above what is mandated as per local laws? Y/N/N.A./Remarks (additional information)	N.A.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4	Did your Company carry out any consumer survey/consumer satisfaction trends?	Yes

INDEPENDENT AUDITORS' REPORT

To the Members of
Housing Development and Infrastructure Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of Housing Development and Infrastructure Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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.

Auditors' 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 of the financial statement 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. 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, 2017 and its profit 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate Report in "Annexure B".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (a) The Company has disclosed the impact of pending litigations on its standalone financial position in its standalone financial statements as referred to in Note 35 to the standalone financial statements;

      (b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      (d) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in the Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with books of accounts maintained by the Company and as produced to us by the Management as referred to Note 39 to the standalone financial statement.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 30th May, 2017

"ANNEXURE A" TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31st March, 2017 of Housing Development and Infrastructure Limited

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

(b) All the fixed assets have been physically verified by the management in a phased manner, over a period of one year, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of the immovable property are held in the name of the company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of inventory records, no material discrepancy was discovered during the period.

(iii) The Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) The Company has not granted any Loans or Guarantees to directors or made any investments as mentioned in the Section 185 and Section 186 of the Act and hence the provisions of clause (iv) are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016 prescribed by the Central Government under Section 148 (1) of the Act and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed amount of statutory dues in respect of Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, VAT, cess and other material statutory dues as applicable with the appropriate authorities and as on 31st March, 2017, no such dues were outstanding for a period of more than six months from the date they became payable except for the following:-.

Nature of Dues	₹ in Lakhs
Tax Deducted at Source (inclusive of Interest	635.46
Service Tax (Interest only)	6.01
Value Added Tax (Interest only)	11.76
Provident fund	236.53
Profession tax	5.02

(b) According to the information and explanations given to us, there are dues of service tax, value added tax, wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, the following dues of income tax have not been deposited by Company on account of disputes:

Name of The Statute	Nature of Dues	Forum where the Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in Lakhs)	Amount unpaid (₹ in Lakhs)
Income Tax Act, 1961	Income Tax	CIT Appeals Mumbai	FY 2008-09	2036.24	2036.24
			FY 2010-11	25772.4	25716.7
			FY 2012-13	29145.9	29145.9
			FY 2013-14	7403.56	7403.56
Income Tax Act, 1961	TDS	CIT Appeals Mumbai	FY 2014-15	128.90	128.90
			FY 2015-16	90.31	90.31

(viii) Based on our Audit procedures and as per the information and explanations given by the management, the company has defaulted in repayment of loans and interest to banks, financial institutions and debenture holders. Estimated unpaid overdue interest and installments to banks, financial institutions and debenture-holders as at 31st March, 2017 is aggregated to ₹888.04 crores. The overdue relates to the financial years 2013-14, 2014-15, 2015-16 and 2016-17.

(ix) The Company has not raised money through initial public offers or further public offers or debt instruments or term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company or any of its employees or officers were noticed or reported during the course of our audit.

(xi) Managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company as specified by the Companies Act, 2013 and hence the provisions under clause (xii) of Paragraph 3 of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, and where applicable the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has made preferential allotment of 1.5 crores shares of face value of ₹ 10 at a premium of ₹ 90 per share and accordingly all compliances of section 42 of the Companies Act 2013 have been complied with. The amount raised through preferential allotment has been used for the purpose for which they have been raised.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 30th May, 2017

"ANNEXURE B" TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **M/S Housing Development and Infrastructure Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 30th May, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	01st April, 2015
ASSETS				
(A) Non-current assets				
(a) Property, Plant and Equipment	2	11,605.32	13,072.65	11,897.82
(b) Investment Property	3	10,816.05	11,003.84	13,623.50
(c) Other Intangible assets	4	17.24	3.91	9.27
(d) Financial Assets				
(i) Investments	5	1,09,100.55	1,10,182.05	1,10,182.05
(ii) Others	6	80.16	82.32	75.18
(e) Other non-current assets	7	189.67	305.28	449.81
(B) Current assets				
(a) Inventories	8	11,64,457.88	11,06,331.30	10,90,536.17
(b) Financial Assets				
(i) Investments	9	101.58	101.58	1.58
(ii) Trade receivables	10	26,194.97	16,317.66	19,096.68
(iii) Cash and cash equivalents	11	377.18	3,267.97	2,577.94
(iv) Bank balances other than (iii) above	12	11,028.54	10,385.72	16,071.09
(v) Others	13	10,259.83	10,902.84	9,747.20
(c) Other current assets	14	2,41,289.95	2,94,814.91	3,26,081.00
Total Assets		**15,85,518.92**	**15,76,772.03**	**16,00,349.29**
EQUITY AND LIABILITIES				
(a) Equity Share capital	15	43,400.40	41,900.40	41,900.40
(b) Other Equity	16	10,88,651.17	10,57,670.04	10,23,656.47
LIABILITIES				
(A) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	1,08,576.06	1,33,596.59	1,27,154.70
(ii) Other financial liabilities	18	416.77	519.43	633.38
(b) Provisions	19	332.17	223.51	164.07
(c) Deferred tax liabilities (Net)	20	3,247.13	1,997.47	2,083.66
(B) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	84,406.35	61,472.86	40,677.05
(ii) Trade payables	22	45,780.81	45,299.94	40,171.65
(iii) Other financial liabilities	23	73,726.40	57,789.97	76,057.12
(b) Other current liabilities	24	1,20,283.09	1,61,183.45	2,26,380.77
(c) Provisions	25	405.04	462.46	263.35
(d) Current Tax Liabilities (Net)	26	16,293.53	14,655.91	21,206.67
Total Equity and Liabilities		**15,85,518.92**	**15,76,772.03**	**16,00,349.29**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	Revenue From Operations	27	71,081.02	1,16,844.58
II	Other Income	28	3,536.71	2,394.91
III	**Total Income (I+II)**		**74,617.73**	**1,19,239.49**
IV	**EXPENSES**			
	Cost of materials consumed	29	59,811.23	55,911.84
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	30	(45,935.99)	(15,795.12)
	Employee benefits expense	31	3,791.75	4,232.17
	Finance costs	32	30,018.19	36,868.60
	Depreciation and amortization expense	2,3,4	733.97	773.79
	Other expenses	33	5,342.30	8,605.86
	Total expenses (III-IV)		**53,761.45**	**90,597.14**
V	Profit/(loss) before exceptional items and tax (III-IV)		**20,856.28**	**28,642.35**
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		**20,856.28**	**28,642.35**
VIII	Tax expense:			
	(1) Current tax		4,482.03	2,400.00
	(2) Deferred tax		1,249.67	(86.18)
	(3) Income tax in respect of earlier years		(2,400.00)	(7,717.60)
			3,331.70	**(5,403.78)**
IX	**Profit/(loss) for the year (VII-VIII)**		**17,524.58**	**34,046.13**
X	Other Comprehensive Income			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans (Expenses)/Income		(43.45)	(32.56)
			(43.45)	**(32.56)**
XI	**Total Comprehensive Income for the period (IX-X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**17,481.13**	**34,013.57**
XII	Earnings per equity share (for continuing operation):			
	(1) Basic		4.08	8.13
	(2) Diluted		4.08	8.13
	Accounting Policies	1		

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

A. Equity Share Capital

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	41,900.40	41,900.40
Change in Equity Share capital during the year	1,500.00	-
Balance at the end of the year	**43,400.40**	**41,900.40**

B. Other Equity

	Reserves & Surplus				Total Equity
	Securities Premium Reserve	Debenture Redemption Reserve	General Reserves	Retained Earnings	
As at 1st April, 2015	**4,91,143.48**	**70,227.21**	**4,62,158.15**	**127.63**	**10,23,656.47**
Profit for the year	-	-	-	34,046.13	34,046.13
Other Comprehensive Income for the year	-	-	-	(32.56)	(32.56)
Total Comprehensive income for the year	**-**	**-**	**-**	**34,013.57**	**34,013.57**
Contributions by and distributions to owners					
Transfer to/from retained earnings	-	5,424.09	-	(5,424.09)	-
Transfer to General Reserve	-	(43,651.78)	43,651.78	-	-
Balance as at 31st March, 2016	**4,91,143.48**	**31,999.52**	**5,05,809.93**	**28,717.11**	**10,57,670.04**
Profit for the year	-	-	-	17,524.58	17,524.58
Other Comprehensive Income for the year	-	-	-	(43.45)	(43.45)
Total Comprehensive income for the year	**-**	**-**	**-**	**17,481.13**	**17,481.13**
Contributions by and distributions to owners					
Addition due to issue during the period	13,500.00	-	-	-	13,500.00
Transfer to General Reserve	-	(9,510.00)	9,510.00	-	-
Balance as at 31st March, 2017	**5,04,643.48**	**22,489.52**	**5,15,319.93**	**46,198.24**	**10,88,651.17**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

Particulars		31st March, 2017		31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		20,856.28		28,642.35
	Adjustments for :				
	Depreciation and amortisation expense	733.97		773.79	
	Interest expenses	29,991.02		36,720.43	
	Interest received	(1,121.36)		(1,518.63)	
	Dividend received	(5.72)		(5.72)	
	Remeasurements of the defined benefit plans (Expenses)/Income	(43.45)		(32.56)	
	(Profit)/Loss on sale of Investment	(0.55)		367.93	
	Profit on sale of Property, Plant & Equipments	(618.48)	28,935.43	-	36,305.24
	Operating profit before working capital changes		**49,791.71**		**64,947.59**
	Movements in working capital :				
	Decrease/(Increase) in inventories	(58,126.58)		(15,795.12)	
	Decrease/(Increase) in trade receivable	(9,877.31)		2,779.02	
	Decrease/(Increase) in other receivables	54,285.73		30,247.85	
	(Decrease)/Increase in non financial liabilities	51.23		258.55	
	(Decrease)/Increase in financial liabilities	(19,848.88)		(41,328.17)	
	Net movement in working capital		(33,515.81)		(23,837.87)
	Cash generated from operations		16,275.90		41,109.72
	Less : Direct taxes paid (net of refunds)		444.40		1,418.86
	Net cash from operating activities		**15,831.50**		**39,690.86**
B	**Cash flows from investing activities**				
	(Increase)/Decrease in other investments	-		100.00	
	Interest received	1,121.36		1,518.63	
	Dividend received	5.72		5.72	
	Purchase of Property, Plant & Equipments	(28.67)		(211.38)	
	Proceeds from sale of investment	1,699.98		-	
	Proceeds from sale of Property, Plant & Equipment	937.03		519.84	
	Net cash from investing activities		**3,735.42**		**1,932.81**
C	**Cash flows from financing activities**				
	Proceeds from borrowings	5,536.41		50,902.29	
	Repayment of borrowings	(13,260.94)		(62,225.23)	
	Increase in share capital including share premium	15,000.00		-	
	Interest paid	(29,991.02)		(36,720.43)	
	Net cash used in financing activities		(22,715.55)		(48,043.37)
	Net increase in cash and cash equivalents (A+B+C)		(3,148.63)		(6,419.70)
	Cash and cash equivalents at the beginning of the year		5,483.88		11,903.58
	Cash and cash equivalents at the end of the year		**2,335.25**		**5,483.88**
	Components of cash and cash equivalents as at		**31st Mar 2017**		**31st Mar 2016**
	Cash on hand		100.10		1,068.88
	With banks - on current account		210.75		336.19
	- on Escrow account		66.34		202.91
	- on deposit account *		11,068.54		10,425.72
	- on DSRA		-		1,660.00
	- in Overdraft with Bank		(9,110.48)		(8,209.82)
	Total		**2,335.25**		**5,483.88**

Note : Figures in the brackets indicate outflow.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

1. Corporate Information

Housing Development and Infrastructure Limited ("HDIL") (CIN : L70100MH1996PLC101379) is engaged primariliy in the business of real estate construction, development and other related activities. The Company is public limited Company incorporated and domiciled in india having its registered office at HDIL Towers, 9th Floor, Anant Kanekar Marg, Bandra (East), Mumbai- 400 050. The Company is listed on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 ('Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March, 2017 together with the comparative period as at and for the year ended 31 March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 45. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale:-

- Unit in real estate :-

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

- Sale/trading of goods and materials :-

  Sales are recognised when goods are supplied and are recorded net of returns, trade discounts, rebates and indirect taxes.

ii) Rent:-

Revenue is recognised on accrual basis.

iii) Interest:-

- Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.

iv) Dividends:-

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

v) Share of profit from joint ventures:-

Share of profit/(loss) from partnership firms is accounted for in respect of the financial year ending on or before the Balance Sheet date.

vi) Profit on sale of investment:-

It is recognised on its liquidation/redemption.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments/revenue are recognised on staright line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic enviorment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company operates both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method.

Remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid/payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definate useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinate life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the period in which the property is derecognised."

h) Depreciation/Amortisation on Property, Plant and Equipment/other intangible assets

i) Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased/sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

ii) Based on an independent technical evaluation, the useful life of Mobile Phones has been estimated as 3 years, which is different from that prescribed in Schedule II of the Act.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

j) Impairment of Property, Plant & Equipment and in intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, F.S.I. and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred/items purchased specifically for projects are taken as consumed as and when incurred/ received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

I) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

- **"Equity investments**

The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or The Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

  In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest."

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available.

The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares to the public.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on “Operating Segments”.

(₹ in Lacs)

	Freehold Land and Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
2. Property, Plant and Equipment							
Cost							
At 1st April, 2015	10,439.41	668.49	308.85	381.12	89.08	10.87	11,897.82
Addition	2,976.88	2.34	0.37	170.22	19.05	19.40	3,188.26
Disposals	(895.19)	(0.76)	-	(44.38)	(0.17)	-	(940.50)
At 31st Mar, 2016	**12,521.10**	**670.07**	**309.22**	**506.96**	**107.96**	**30.27**	**14,145.58**
Addition	-	-	0.89	-	2.47	4.84	8.20
Disposals	(960.06)	-	-	(6.37)	-	-	(966.43)
At 31st Mar, 2017	**11,561.04**	**670.07**	**310.11**	**500.59**	**110.43**	**35.11**	**13,187.35**
Depreciation							
At 1st Apr, 2015	-	-	-	-	-	-	-
Depreciation charge for the year	169.13	96.51	69.06	140.87	56.49	10.18	542.24
Disposals	(20.72)	(0.22)	-	(31.62)	(0.17)	-	(52.73)
Depreciation on addition of asset	583.42	-	-	-	-	-	583.42
At 31st Mar, 2016	**731.83**	**96.29**	**69.06**	**109.25**	**56.32**	**10.18**	**1,072.93**
Depreciation charge for the year	225.26	96.63	69.15	116.05	20.79	11.18	539.06
Disposals	(24.14)	-	-	(5.82)	-	-	(29.96)
At 31st Mar, 2017	**932.95**	**192.92**	**138.21**	**219.48**	**77.11**	**21.36**	**1,582.03**
Net book value							
At 31st Mar, 2017	**10,628.09**	**477.15**	**171.90**	**281.11**	**33.32**	**13.75**	**11,605.32**
At 31st Mar, 2016	**11,789.27**	**573.78**	**240.16**	**397.71**	**51.64**	**20.09**	**13,072.65**
At 1st Apr, 2015	**10,439.41**	**668.49**	**308.85**	**381.12**	**89.08**	**10.87**	**11,897.82**

3. Investment Property	
Opening Balance as at 1st April, 2015	**14,274.88**
Transfer	**(2976.88)**
Closing Balance as at 31st Mar, 2016	**11,298.00**
Closing Balance as at 31st Mar, 2017	**11,298.00**
Depreciation	
At 1st April, 2015	651.38
Depreciation charged for the year	226.19
Disposals	(583.41)
Closing Balance as at 31st Mar, 2016	**294.16**
Depreciation charged for the year	187.78
Closing Balance as at 31st Mar, 2017	**481.94**
Net book value	
At 31st Mar, 2017 (Fair Value ₹ 1,14,777.02 Lacs)	**10,816.05**
At 31st Mar, 2016 (Fair Value ₹ 1,09,278.89 Lacs)	**11,003.84**
At 1st April, 2015 (Fair Value ₹ 98,344.72 Lacs)	**13,623.50**

The fair value of investment property has been determined having reference to the market values as prescribed under the ready recknor published by a competent authority, as the company believes that the current market price of similar properties in the vicinity is the best evidence of the fair value of such investment property. The FV measurement has been categorised as Level 2 based on inputs to valuation technique used.

Information regarding Income and expenditure of Investment Property

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016
Renal income derived from Investment Properties	681.49	644.78
Less : Depreciation	(187.78)	226.19
Profit arising from investment properties before indirect expenses	493.71	418.59

(₹ in Lacs)

	Particulars	Computer Software
4.	**Other Intangible assets**	
	Opening Balance as at 1st April, 2015	9.27
	Closing Balance as at 31st March, 2016	**9.27**
	Additions	20.46
	Closing Balance as at 31st March, 2017	**29.73**
	Depreciation	
	At 1st April, 2015	-
	Depreciation charged for the year	5.36
	At 31st March, 2016	**5.36**
	Depreciation charged for the year	7.13
	At 31st March, 2017	**12.49**
	Net book value	
	At 31st March, 2017	**17.24**
	At 31st March, 2016	**3.91**
	At 1st April, 2015	**9.27**

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
5.	**Investments (Non Current)**			
	(i) Investments in Equity Instruments			
	Other than trade (Unquoted Shares)			
	Punjab and Maharashtra Co-op. Bank Limited			
	1,90,000 (previous year 1,90,000) Equity Shares of ₹ 25/- each fully paidup	47.50	47.50	47.50
	Dreams The Mall Company Limited			
	93,957 (previous year 93,957) Equity Shares of ₹ 10/- each fully paidup	9.40	9.40	9.40
		56.90	**56.90**	**56.90**
	In subsidiary Company (Unquoted Shares)			
	HC Infracity Private Limited			
	75,00,000 (previous year 75,00,000) Equity Shares of ₹ 10/- each fully paidup	750.00	750.00	750.00
	Privilege Power and Infrastructure Private Limited			
	1,61,05,000 (previous year 1,61,05,000) Equity Shares of ₹ 100/- each fully paidup	35,332.28	35,332.28	35,332.28
	Guarantee Obligation commission	813.51	813.51	813.51
	Blue Star Realtors Private Limited			
	34,00,000 (previous year 34,00,000) Equity Shares of ₹ 10/- each fully paidup	1,348.52	1,348.52	1,348.52
	Ravijyot Finance and Leasing Private Limited			
	3,00,000 (previous year 3,00,000) Equity Shares of ₹ 10/- each fully paidup	30.00	30.00	30.00
	Excel Arcade Private Limited			
	Nil (previous year 19,54,000) Equity Shares of ₹ 10/- each fully paidup	-	1,081.50	1,081.50
	Mazda Estates Private Limited			
	4,10,000 (previous year 4,10,000) Equity Shares of ₹ 10/- each fully paidup	2,746.35	2,746.35	2,746.35
	Guruashish Construction Private Limited			
	31,00,000 (previous year 31,00,000) Equity Shares of ₹ 100/- each fully paidup	29,948.75	29,948.75	29,948.75
	BKC Developers Private Limited			
	98,500 (previous year 98,500) Equity Shares of ₹ 10/- each fully paidup	9,297.20	9,297.20	9,297.20
	Lashkaria Construction Private Limited			
	69,00,000 (previous year 69,00,000) Equity Shares of ₹ 10/- each fully paidup	690.00	690.00	690.00
		80,956.61	**82,038.11**	**82,038.11**

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
	(ii) Investments in Preference Shares (unquoted)			
	Blue Star Realtors Private Limited			
	35,10,880 (previous year 35,10,880) 5% Class II Cumulative Redeemable Preference shares of ₹ 10/- each fully paid up	28,087.04	28,087.04	28,087.04
		28,087.04	**28,087.04**	**28,087.04**
		1,09,100.55	**1,10,182.05**	**1,10,182.05**
6.	**Others (Non Current)**			
	Security Deposits	40.16	42.32	35.18
	Bank deposits with more than 12 months maturity	40.00	40.00	40.00
		80.16	**82.32**	**75.18**
7.	**Other non-current assets**			
	Prepayments	189.67	305.28	449.81
		189.67	**305.28**	**449.81**
8.	**Inventories:**			
	(i) Work-in-progress	11,42,351.03	10,74,896.34	10,69,231.03
	(ii) Finished goods	22,106.85	31,434.96	21,305.14
		11,64,457.88	**11,06,331.30**	**10,90,536.17**
9.	**Current Investments**			
	Investments in partnership firms			
	M/s Fine Developers (Fixed Capital ₹ Nil)	1.58	1.58	1.58
	(Share of profit-90%, other partner and share of profit is Sapphire Land Development Private Limited - 10%.)			
	Heritage Housing Development Corporation (Fixed Capital ₹ Nil)	100.00	100.00	-
	(Share of profit-60%, other partner and share of profit is Pioneer India Developers Private Limited - 40%.)			
		101.58	**101.58**	**1.58**
10.	**Trade receivables**			
	Unsecured considered good	26,194.97	16,317.66	19,096.68
		26,194.97	**16,317.66**	**19,096.68**
11.	**Cash and cash equivalents**			
	(i) Balances with Banks (of the nature of cash and cash equivalents)			
	Current accounts	210.75	336.18	2,115.26
	Current Account balances with bank in unpaid dividend account	-	-	14.30
	Current Account balances in Escrow Account	66.33	202.91	27.70
	(ii) Cash on hand	100.10	1,068.88	420.68
	(iii) Debt Service Reserve Account	-	1,660.00	-
		377.18	**3,267.97**	**2,577.94**
12.	**Bank balances**			
	In Fixed Deposit with less than a year maturity*	11,028.54	10,385.72	16,071.09
		11,028.54	**10,385.72**	**16,071.09**

* includes fixed deposits of ₹ 1,088.45 Lacs (previous year ₹ 1,088.45 Lacs) pledged with bank as security for bank guarantees, ₹ Nil (previous year ₹ 6,427.00 Lacs) with bank for Debt Service Reserve and ₹ 7,942.27 Lacs (previous year ₹ 7,942.27 Lacs) pledged with bank as security for bank overdraft.

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
13.	**Financial Assets : Others**			
	(i) Security Deposits	158.24	157.82	142.61
	(ii) Advances to related parties			
	Loan to subsidiaries	8,654.23	8,654.23	8,654.23
	(iii) Other advances			
	Loans to employees	25.74	42.00	29.47
	Interest accrued on fixed deposits	837.52	976.52	377.49
	Others	584.10	1,072.27	543.40
		10,259.83	**10,902.84**	**9,747.20**
14.	**Other Current Assets**			
	Advance to suppliers	9,344.17	7,622.97	17,439.37
	Advances for land purchase/tenancy/claims/development rights	2,31,921.63	2,87,154.54	3,08,588.17
	Prepaid expenses	24.15	37.40	53.46
		2,41,289.95	**2,94,814.91**	**3,26,081.00**
15.	**Share Capital**			
	Authorised			
	1,00,00,00,000 (previous year 1,00,00,00,000) Equity Share of ₹ 10/- each	1,00,000.00	1,00,000.00	50,000.00
	Issued, Subscribed and Paid up			
	43,40,03,986 (previous year 41,90,03,986) Equity Shares of ₹ 10/- each fully paid-up	43,400.40	41,900.40	41,900.40
		43,400.40	**41,900.40**	**41,900.40**

Terms/rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

(i) Reconciliation of the number of shares outstanding :

Equity Shares		Number	Number	Number
Shares outstanding at the beginning of the year		41,90,03,986	41,90,03,986	41,90,03,986
Shares Issued during the year		1,50,00,000	-	-
Shares outstanding at the end of the year		**43,40,03,986**	**41,90,03,986**	**41,90,03,986**
(ii) Shares in the Company held by each shareholder holding more than 5 percent :				
Rakesh Kumar Wadhawan	Number	-	7,60,47,661	7,60,47,661
	%		18.15%	18.15%
Priviledge Distilleries Private Limited	Number	2,48,22,086	-	-
	%	5.72%		
Dinshaw Trapinex Builders Private Limited	Number	2,85,22,629	-	-
	%	6.57%		
Dheeraj Consultancy Private Limted	Number	2,85,22,630	-	-
	%	6.57%		
Interactive Multimedia Technologies Private Limited	Number	3,00,27,300	-	-
	%	6.92%		

Equity Shares		Number	Number	Number
Orbis SICAV - Asia Ex- Japan Equity Fund	Number	3,92,75,550	3,44,33,395	3,29,90,632
	%	9.05%	8.22%	7.87%
Platinum Investment Management Limited A/C Platinumasia Fund	Number	-	2,85,37,227	3,14,46,227
	%		6.81%	7.50%
Merrill Lynch Capital Market Espana S.A. S.V.	Number	-	-	2,72,98,007
	%			6.51%

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
16.	**Other Equity**			
	Securities Premium Reserve	5,04,643.48	4,91,143.48	4,91,143.48
	Debenture Redemption Reserve	22,489.52	31,999.52	70,227.21
	General Reserves	5,15,319.93	5,05,809.93	4,62,158.15
	Retained Earnings	46,198.23	28,717.10	127.62
		10,88,651.16	**10,57,670.03**	**10,23,656.46**
17.	**Non Current Borrowings**			
	(i) Secured Long Term Borrowings :			
	2,267 (Previous year 4,692) Redeemable Non Convertible Debentures of ₹ 10 lacs each *	11,534.31	16,307.48	22,837.30
	(ii) Term loans			
	(a) Term Loans from Scheduled Banks	65,787.60	74,734.76	51,103.02
	(b) Term loans from Financial Institutions	31,254.15	42,554.35	53,214.38
		1,08,576.06	**1,33,596.59**	**1,27,154.70**

*In accordance with the terms of the issue of NCD, the Company has partially redeemed the Debenture in tranches and hence aggregate amount outstanding vis a vis numbers of outstanding debentures do not tally.

Details of securities and other terms and conditions are as under :-

I) Secured Redeemable Non Convertible Debentures : -

a) Secured Redeemable Non Convertible Debentures (Listed) : -

Nil (Previous year 2,425) 12% Secured Redeemable Non – Convertible Debentures of ₹ 10.00 Lacs each fully paid, interest payable quarterly are issued on Private Placement basis to various banks. These Debentures are Secured by mortgage of immovable properties admeasuring to about 7,01,992 Sq. mtrs. situated at village Kasarali, District Thane and 1,47,341 Sq. mtrs. situated at Village Kopri, District Thane, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. These Secured Non – Convertible Debentures are redeemable commencing from December, 2012 from first tranche onwards at 33% each in third and fourth year and 34% at the end of fifth year.

b) Secured Redeemable Non Convertible Debentures (Non listed) : -

a) 2,267 (Previous year 2,267)13.25% Secured Redeemable Non – Convertible Debentures of ₹ 10.00 lacs each fully paid, interest payable monthly are issued on Private Placement basis to Life Insurance Corporation of India. The Debentures are secured by mortgage of 2,88,940 Sq. mtrs immovable properties situated at Village Doliv and Village Khardi, District Thane and further secured by mortgage of first to nine floors except 3rd, 4th and 6th floors of commercial building admeasuring 17,894.65 Sq. mtrs. situated at HDIL Towers, Survey No. 341(pt) CTS No. 608(pt), Bandra (East), Mumbai. These Secured Non - Convertible Debentures are redeemable in equal monthly instalment of ₹ 100.00 lacs each commencing from 5th October, 2013.

b) Securities of the Debentures issued to Life Insurance Corporation of India are shared on pari-passu basis for the term loan from Life Insurance Corporation of India. (Also refer note : 21(III)(b))

II) All the above debentures have been personally guaranteed by

i) Executive Chairman of the Company

ii) Vice Chairman and Managing Director of the Company

III) IDBI Trustee is the trustee to all the above Debentures issued.

IV) Maturity profile and Rate of interest of Non Convertible Debentures are as set out below:

Rate of Interest	Maturity Profile			Total
	Apr. 2018-Mar. 2019	Apr. 2019-Mar. 2020	Apr. 2020-Mar. 2021	
13.25%	4,773.21	4,773.21	1,987.88	11,534.31
Total	**4,773.21**	**4,773.21**	**1,987.88**	**11,534.31**

V) Maturity Profile of Secured Term Loans are as set out below

Secured Term Loans	Maturity Profile				Total
	Apr. 2018-Mar. 2019	Apr. 2019-Mar. 2020	Apr. 2020-Mar. 2021	Apr.2021-Mar. 2022	
Term loan Schedule banks	24,470.60	20,901.00	19,666.00	750.00	65,787.60
Term loan Financial instituition	21,408.57	9,537.33	308.49	-	31,254.39
Total	**45,879.17**	**30,438.33**	**19,974.49**	**750.00**	**97,041.99**

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
18.	**Other financial liabilities (Non current)**			
	(i) Security deposit	189.30	200.17	211.08
	(ii) Finance Gurantee Obligation	227.47	319.26	422.30
		416.77	**519.43**	**633.38**
19.	**Provisions (Non current)**			
	Provision for employee benefits			
	Gratuity	125.50	-	-
	Leave Encashment	206.67	223.51	164.07
		332.17	**223.51**	**164.07**
20.	**Deferred tax liabilities (Net)**			
	Liabilities			
	(i) Property, Plant & Equipment and Intangible Assets	3,419.28	2,118.04	2,097.90
	(ii) other	78.43	112.59	156.64
	Assets			
	(i) Bonus payable	-	-	25.60
	(ii) Provision for gratuity	133.59	109.12	73.39
	(iii) Provision for encashment of leave	116.99	124.04	71.89
		3,247.13	**1,997.47**	**2,083.66**

20.1 Movement in Deferred Tax Balances

Particulars	Balance as at 31st Mar, 2016	Movement during the year		Balance as at 31st Mar, 2017
		Recognised in Profit & Loss	Recognised in Equity	
Property, Plant & Equipment and Intangible Assets	(2,118.04)	(1,301.24)	-	(3,419.28)
Lease Rental	(8.89)	(5.08)	-	(13.96)
Borrowing cost amortisation	(103.71)	39.24	-	(64.47)
Provision for gratuity	109.12	24.47	-	133.59
Provision for encashment of leave	124.04	(7.05)	-	116.99
	(1,997.48)	**(1,249.66)**	**-**	**(3,247.14)**

(₹ in Lacs)

20.2 Movement in Deferred Tax Balances

Particulars	Balance as at 1st April, 2015	Movement during the year		Balance as at 31st Mar, 2016
		Recognised in Profit & Loss	Recognised in Equity	
Property, Plant & Equipment and Intangible Assets	(2,097.90)	(20.14)	-	(2,118.04)
Lease Rental	(3.81)	(5.08)	-	(8.89)
Borrowing cost amortisation	(152.83)	49.13	-	(103.70)
Bonus payable	25.60	(25.60)	-	(0.00)
Provision for gratuity	73.39	35.73	-	109.12
Provision for encashment of leave	71.89	52.15	-	124.04
	(2,083.66)	**86.19**	**-**	**(1,997.47)**

	As at 31st Mar. 2017	As at 31st Mar. 2016
Reconciliation of Effective Tax Rate		
Profit Before Tax	**20,856.28**	**28,642.35**
Current tax	4,482.03	2,400.00
Deferred tax	1,249.67	(86.19)
Tax of Prior years	(2,400.00)	(7,717.60)
	3,331.70	**(5,403.79)**

A reconciliation of income tax expenses application to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31st March, 2017 and 31st March, 2016 as follows:

Profit Before Tax	20,856.28	28,642.35
Income tax		
Statutory incometax rate of 21.34% (34.608%) on profit	4,450.73	9,912.54
Effect of exempt income, notional income and non-dedctible expenses (net)	1,280.97	(7,598.73)
Tax expenses for current year	**5,731.70**	**2,313.81**
	27.48%	**8.08%**
Adjustment of tax of Prior years	(2,400.00)	(7,717.60)
Tax expenses recognised in the Statement of Profit & Loss	**3,331.70**	**(5,403.79)**

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
21.	**Current Borrowings**			
(i)	Loans repayable on demand			
	from banks	15,110.48	8,209.82	6,771.15
(ii)	Other loans			
	Term Loans from Scheduled Banks	46,779.39	41,695.11	31,513.37
	Term loans from Financial Institutions	22,516.48	11,567.93	2,392.53
		84,406.35	**61,472.86**	**40,677.05**

Details of securities and other terms and conditions are as under :-

I) Loans repayable on demand from Scheduled Bank :-

Punjab and Maharashtra Co-operative Bank Limited :-

Secured by pledge of fixed deposit receipts with the bank, current rate of interest 9.25% (Previous year 13%)

II) Loans from Scheduled Banks :-

a) Central Bank of India :-

i) Secured by registered mortgage of immovable properties admeasuring 40,468.56 Sq. mtrs. situated at CTS No. 637A, Premier Road, Village Kurla, Mumbai. Repayable in 40 monthly installments (Step up installments) of ₹ 300.00 Lacs each commencing from December, 2013 to March 2014, ₹ 349.00 Lacs each commencing from April, 2014 to March 2015 and ₹ 500.00 Lacs each commencing from April, 2015 to March 2017. Rate of interest base rate + 5% p.a. payable monthly.

b) The Jammu and Kashmir Bank :-

i) Term loan - I - Repayable in 12 quarterly installments of ₹ 834.00 lacs each commencing from September 2014. Interest rate is base rate +3.50% p.a. payable monthly.

ii) Term Loan - II - Secured by 1st Charge on the cash flows, receivables and project agreements/project escrow account and project DSRA of the free sale area, and 1st charge by way of mortgage of development right. Loan repayable in 20 quarterly installments of ₹ 750.00 Lacs each commencing from September 2016. Interest rate is base rate + 3.00% p.a. payable monthly.

iii) Term Loan - III - Secured by 1st Charge on the cash flows, receivables, all current assets of the project and project agreements/ project escrow account and project DSRA of the free sale area and 1st charge by way of mortgage of development rights. Repayable in 16 quarterly installments of ₹ 938.00 Lacs each commencing from September, 2017. Interest rate is base rate + 3.00% p.a. payable monthly.

All the above loans are secured by immovable properties admeasuring 2,91,610 Sq. mtrs. situated at Village Kopri, District Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company.

c) Allahabad Bank :-

i) Secured by registered mortgage over the total construction area of 1,12,140.10 Sq. mtrs. which includes free sale area admeasuring approximately 67,732.72 Sq. mtrs. at CTS no. 551/27,552(pt), 552/1, 552/5 to 12 of Village Nahur, Mumbai together with the structure standing thereon and further secured by 45,342 Sq. mtrs. of immovable properties situated at Village Chandansar, Dist. Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. Repayable in 12 equal quarterly installments of ₹ 1,250.00 Lacs each commencing from June 2014. Rate of Interest base rate + 5% p.a. payable monthly.

ii) Secured by exclusive charge on Escrow account as well as equitable mortgage of immovable properties admeasuring 54,970 Sq.mtrs at Village Maljipada, Dist. - Thane, comprising of various survey numbers. Repayable within 12 equal quarterly installments of ₹ 625.00 Lacs each commencing from December 2014. Rate of interest is base rate + 5% p.a. payable monthly.

iii) Secured by exclusive charge on all projects assets of the Company at Mulund and Palghar. Repayable in 4 equal quarterly installments of ₹ 425.00 Lacs each commencing from March, 2017. Rate of interest is base rate + 5% p.a. payable monthly.

d) Syndicate Bank :-

Secured by pari passu charge over escrow of Cash flows arising out of the project Whispering Tower and further secured by immovable properties admeasuring 87,220 Sq.mtrs. situated at Village Doliv, Koshimbe, Dist. Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. Repayable in 12 equal quarterly installments ₹ 834.00 Lacs each commencing from February 2015. Rate of Interest base rate + 3% p.a. payable monthly.

e) Yes Bank Limited:-

Secured by exclusive charge on Projects Metropolis, Galaxy and Majestic Towers on development rights. Repayable 33.33% every year from 36th month of its disbursement

III) Term Loans from Financial Institution :-

a) IL & FS - PMDO:-

i) Repayable in 18 quarterly installments of the staggered amount commencing from October, 2015. Rate of interest is 13.50% p.a. payable monthly.

ii) Repayable in 12 quarterly installments commencing from February, 2016. Rate of interest of the Funded interest term loan is 13.50% p.a. payable monthly.

Both the loans are secured by registered mortgage of immovable properties admeasuring 1,21,970 Sq. mtrs. situated at Sasunavghar, comprising of various survey numbers, owned by the Company and 96,750 Sq. mtrs. situated at village Doliv, 1,60,390 Sq. mtrs. situated at village Khardi, 94,710 Sq. mtrs. situated at Dahisar and 66,640 Sq. mtrs. situated at Kasarali, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company.

b) Life Insurance Corporation of India :-

i) Term loan is secured by registered mortgage of immovable properties situated at Village Doliv and Village Khardi admeasuring 2,88,940 Sq. mtrs. comprising of various survey numbers and further secured by mortgage of first to nine floors except 3rd, 4th and 6th floors of commercial building area admeasuring 18,194.54 Sq. mtrs. situated at HDIL Towers, Bandra (East), Mumbai. Repayable in 12 quarterly installments of ₹ 1,688.15 Lacs each commencing from September, 2016. Rate of interest is 13% p.a. payable monthly.

ii) Securities of the Term loan from Life Insurance Corporation of India are shared on pari-passu basis along with the security for Non Convertible Debentures issued to Life Insurance Corporation of India. (Also refer to Note No.: 17(I)(b)).

IV) All the above loans have been personally guaranteed by

i) Executive Chairman of the Company

ii) Vice Chairman and Managing Director of the Company

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
22.	**Trade payables (Current)**			
	Micro, Small and Medium Enterprises	-	-	-
	Others	45,780.81	45,299.94	40,171.65
		45,780.81	**45,299.94**	**40,171.65**
	Micro, Small and Medium Enterprises			
	Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.			
23.	**Other financial liabilities (Current)**			
	(i) Current maturities of long-term debt	4,774.17	6,482.04	10,853.22
	(ii) Interest accrued -			
	Due but not paid on loans	32,591.56	16,548.66	7,774.08
	Not due on loans	276.28	705.45	1,795.71
	(iii) Unpaid dividends	-	-	7.70
	(iv) Unpaid matured debentures and interest accrued thereon	13,351.28	19,074.35	48,036.39
	(v) Security deposit	2,343.09	1,897.38	802.74
	(vi) Others			
	Due to employees	852.60	541.95	320.05
	Others	19,537.42	12,540.14	6,467.23
		73,726.40	**57,789.97**	**76,057.12**
24.	**Other current liabilities**			
	(i) Revenue received in advance	1,19,028.11	1,59,463.86	2,24,278.22
	(ii) Statutory dues	1,254.98	1,719.59	2,102.55
		1,20,283.09	**1,61,183.45**	**2,26,380.77**
25.	**Provisions (Current)**			
	(i) Provision for employee benefits			
	(a) Gratuity	267.53	321.04	215.91
	(b) Leave Encashment	137.51	141.42	47.44
		405.04	**462.46**	**263.35**

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
26.	**Current Tax Liabilities (Net)**			
	(i) Provision for taxation	47,463.78	45,381.75	50,486.04
	(ii) Less : Tax Paid	31,170.25	30,725.84	29,279.37
		16,293.53	**14,655.91**	**21,206.67**

(₹ in Lacs)

	Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
27.	**Revenue From Operations**		
	i) Sale of Product		
	(a) Sale of commercial and residential units	41,113.50	67,251.21
	(b) Sale of development rights/FSI/Land/TDR	28,617.89	48,003.49
	ii) Other operating income		
	(a) Lease rental (Refer Note No. 27.1)	681.49	659.72
	(b) Others	668.14	930.16
		71,081.02	**1,16,844.58**
27.1	**Assets given on lease :**		
	General description of leasing arrangement		
	(a) Leased assets : Leasing of commercial premises.		
	(b) Future lease rentals are determined on the basis of agreed terms.		
	(c) At the expiry of the lease term, the Company agrees to record the new terms and conditions of their agreement in relation to lease of the Premises.		
	Total operating lease income credited to the Statement of Profit and Loss ₹ 666.55 Lacs (previous year ₹ 644.78 Lacs)		
	Total minimum lease payments receivable		
	The total of minimum lease payments for the period		
	Not more than one year	644.82	614.81
	Not less than one year and not more than five years	7,080.43	5,424.11
	More than five years	66,504.28	68,231.56
28.	**Other income**		
	Interest income	1,150.96	1,648.67
	Dividend received (From Co-operative Bank)	5.72	5.72
	Maintenance Income	1,724.23	628.95
	Profit on sale of fixed assets	619.03	-
	Profit on sale of mutual fund	-	1.31
	Miscellaneous income	36.77	110.26
		3,536.71	**2,394.91**
29.	**Cost of materials consumed**		
	Tenancy/claims/FSI/development rights/Land	12,691.62	3,479.82
	Cost of material consumed	47,119.61	52,432.02
		59,811.23	**55,911.84**

(₹ in Lacs)

	Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
30.	**Changes in inventories of finished goods and work-in-progress**		
	Opening finished goods	31,434.96	21,305.15
	Opening work-in-progress	10,74,896.34	10,69,231.03
	Adjustments during the year	12,190.59	-
		11,18,521.89	**10,90,536.18**
	Closing finished goods	22,106.85	31,434.96
	Closing work-in-progress	11,42,351.03	10,74,896.34
		11,64,457.88	**11,06,331.30**
		(45,935.99)	**(15,795.12)**
31.	**Employee benefits expense**		
	Salaries and incentives	3,474.45	3,829.11
	Contributions to - Provident and other funds	255.62	324.41
	Staff welfare expenses	61.68	78.65
		3,791.75	**4,232.17**

As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

The Company has created Employee's Group Gratuity Fund with Life Insurance Corporation of India and obtained Group Gratuity Assurance Policy from LIC for the benefit of employees.

A Gratuity Plan :-

Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ in Lacs)

	Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
i)	**Reconciliation of defined benefit obligation**		
	Obligation at beginning of period	521.93	427.98
	Transfer in/(out) obligation	-	-
	Current service cost	68.28	63.84
	Interest cost	39.22	32.08
	Actuarial loss/(gain) due to change in financial assumptions	27.43	(5.29)
	Actuarial loss/(gain) due to experience adjustments	(48.26)	36.51
	Benefits paid	(68.27)	(27.74)
	Benefits payable	-	(5.45)
	Obligation at period end	**540.33**	**521.93**
ii)	**Reconciliation of plan assets**		
	Opening fair value of plan assets	200.89	212.07
	Interest Income	16.83	17.91
	Return on plan assets excluding amounts included in interest income	(2.15)	(1.35)
	Benefits paid	(68.27)	(27.74)
	Closing fair value of plan assets	**147.30**	**200.89**
iii)	**Funded status of the plan**		
	Present value of funded obligations	540.33	521.93
	Fair value of plan assets	147.30	200.89
	Net asset/(liability) recognised in the Balance Sheet	**(393.03)**	**(321.04)**

(₹ in Lacs)

	Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
iv)	**Profit and loss account for current period**		
	Service cost:		
	Current service cost	68.28	63.84
	Net interest cost	22.39	14.17
	Total included in 'Employee Benefit Expense'	**90.67**	**78.01**
	Total Charge to P&L	**90.67**	**78.01**
v)	**Other Comprehensive Income for the current period**		
	Actuarial loss/(gain) due to change in financial assumptions	27.43	(5.29)
	Actuarial loss/(gain) due to experience adjustments	(48.26)	36.51
	Return on plan assets excluding amounts included in interest income	2.15	1.35
	Amounts recognized in Other Comprehensive Income	**(18.68)**	**32.57**
vi)	**The weighted average duration of the defined benfit obligation is 21.62 years (Previous year 23.10 years)**		
	Expected Cash flow based on past service liability		
	Expected benefits for year 1	33.45	38.52
	Expected benefits for year 2 to year 5	141.56	168.44
	Expected benefits beyond year 5	195.94	202.01
vii)	**Sensitivity Analysis**		
	Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
	Discount rate varied by 0.5%		
	+ 0.5%	515.29	496.75
	- 0.5%	567.52	549.30
	Salary growth rate varied by 0.5%		
	+ 0.5%	559.10	541.00
	- 0.5%	522.55	504.01
viii)	**Investment Details**		
	Policy of Insurance	100%	100%
B	**Leave encashment liability :-**		
	The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
	The following table set out the status of the leave encashment plan as required under Ind AS 19		
i)	**Reconciliation of defined benefit obligation**		
	Obligation at beginning of period	364.93	211.50
	Transfer in/(out) obligation	-	0.05
	Current service cost	60.04	39.28
	Interest cost	27.07	15.58
	Actuarial loss/(gain) due to change in financial assumptions	16.47	(3.54)
	Actuarial loss/(gain) due to change in demographic assumption	21.34	46.30
	Actuarial loss/(gain) due to experience	(145.67)	55.76
	Obligation at period end	**344.18**	**364.93**
ii)	**Funded status of the plan**		
	Present value of unfunded obligations	344.18	364.93
	Fair value of plan assets	-	-
	Net asset/(liability) recognised in the Balance Sheet	**344.18**	**364.93**

(₹ in Lacs)

	Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
iii)	**Profit and loss account for current period**		
	Current service cost	60.04	39.28
	Net interest cost	27.07	15.58
	Net Value of remeasurements on the obligation and plan assets	(107.86)	98.51
	Total included in 'Employee Benefit Expense'	**(20.75)**	**153.37**
	Expenses deducted from the fund	-	-
	Total Charge to P&L	**(20.75)**	**153.37**
	Acturial loass/(Gain)		
	Actuarial loss/(gain) due to change in financial assumptions	16.47	(3.54)
	Actuarial loss/(gain) due to change in demographic assumption	21.34	46.30
	Actuarial loss/(gain) due to experience adjustments	(145.67)	55.76
	Net Acturial Loss/(Gain)	**(107.86)**	**98.52**
iv)	**Expected Cash flow based on past service liability**		
	Expected benefits for year 1	37.61	35.89
	Expected benefits for year 2 to year 5	99.90	105.53
	Expected benefits beyond year 5	137.69	141.48
v)	**Sensitivity Analysis**		
	Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
	Discount rate varied by 0.5%		
	+ 0.5%	329.15	348.03
	- 0.5%	360.39	383.24
	Salary growth rate varied by 0.5%		
	+ 0.5%	360.35	383.29
	- 0.5%	329.05	347.84
C	**Valuation Assumptions**		
	Considering the above stipulation in the case of gratuity and leave encashment, the following assumptions have been made.		
i)	Discount Rate	7.25%	7.80%
ii)	Salary Growth	7.00%	7.00%
iii)	Expected rate of return : This assumption is required only in case of funded plans.The level of returns would depend on the nature of assets and the prevailing economic scenario		
iv)	Mortality : Indian Assured Lives Mortality (2006-08)		
v)	Withdrawals : 5% at younger ages reducing to 1% to older ages		
vi)	Retirement age : 60 or 65 years		
vii)	Leave Availment Rate : 2.50% at all ages (previous year 1.75%)		
viii)	Method of Valuation : Projected Unit Credit Method		
	Note:		
	The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.		

(₹ in Lacs)

	Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
32.	**Finance costs**		
	i) Interest		
	(a) Project specific interest expenses	25,366.46	30,854.75
	(b) Other interest	4,651.73	5,013.85
	ii) Other borrowing costs	-	1,000.00
		30,018.19	**36,868.60**
33.	**Other expenses**		
	Advertisement and sales promotion expenses	265.40	353.03
	Commission and brokerage	434.69	673.49
	Electricity charges	757.16	1,181.30
	Insurance charges	5.00	6.23
	Bank Charges	15.13	22.92
	Other expenses	524.89	2,240.58
	Loss on sale of fixed assets	-	367.93
	Loss on foreign exchange fluctuation -net	1.51	2.22
	Membership and subscription	10.97	10.87
	Printing and stationery	45.43	58.55
	Security charges	565.24	450.89
	Professional fees	929.11	1,249.32
	Rent paid (Refer Note 33.1)	55.33	26.25
	Rates and taxes	1,095.71	1,015.36
	Repairs and maintenance to buildings	2.66	2.68
	Repairs and maintenance to other assets	10.40	13.74
	Stamping and registration	26.15	144.13
	Communication expenses	74.29	95.98
	Postages and telegram expenses	16.26	3.10
	Travelling and conveyance expenses	180.92	356.98
	Remuneration to auditors (Refer Note 33.2)	120.00	120.00
	Directors remuneration, commission and sitting fees(Refer Note 33.3)	205.80	210.00
	Filing fees paid to the Registrar of Companies	0.25	0.31
	Total	**5,342.30**	**8,605.86**
	Above expenses includes Project related expenses	**3,122.87**	**4,949.28**
33.1	**Assets taken on lease :**		
	i) General description of leasing arrangement		
	a) Leased assets : Residential and Commercial Premises		
	b) Future lease rentals are determined on the basis of agreed terms.		
	c) At the expiry of the lease term, the Company agrees to record the new terms and condition of their agreement in relation to lease of the Premises.		
	ii) Total operating lease expenses debited to the statement of Profit and Loss ₹ 55.33 Lacs (previous year ₹ 26.25 Lacs)		
	iii) Total minimum lease payments payable for the period		
	Not more than one year	33.80	33.00
	Not less than one year and not more than five years	5.72	-
	More than five years	-	-

(₹ in Lacs)

Particulars		Year ended 31st March 2017	Year Ended 31st March 2016
33.2 Remuneration to Auditors			
Audit fees		60.00	60.00
Taxation matters		60.00	60.00
		120.00	**120.00**
33.3 Managerial Remuneration			
Commission to Non Executive Directors		199.20	200.00
Sitting fees		6.60	10.00
		205.80	**210.00**
34. Earnings Per Equity Share Has Been Computed As Under:			
(i) Net profit after tax as per Statement of Profit and Loss		17,524.58	34,046.13
(ii) Number of fully paid equity shares used in computing earnings per equity share			
Basic	Nos.	42,91,13,575	41,90,03,986
Diluted	Nos.	42,91,13,575	41,90,03,986
(iii) Basic Earnings per share		4.08	8.13
(iv) Diluted Earnings per share		4.08	8.13
(v) Nominal value per equity share is ₹ 10/- fully paid			
35. CONTINGENT LIABILITIES NOT PROVIDED FOR			
i) (a) Claims against the Company not acknowledged as debts (represents suits filed by the parties in the Court and disputed by the Company)		35,188.40	35,188.40
(b) Income-tax demands disputed by the Company (net of amounts provided)		51,727.55	40,666.36
The matters in dispute are under appeal. The demands have been paid/adjusted and will be received as refund if the matters are decided in favour of the Company			
In the opinion of the management the above claims are not sustainable			
ii) Guarantees provided by the bank		652.02	652.02
Includes Bank Gurantee of ₹ 10.00 lacs (previous year Nil) to Pollution Control Board, Lucknow on behalf of the HC Infracity Private Limited a subsidiary of the Company.			
iii) Financial guarantee			
(a) The Company has provided an undertaking to pay in the event of default on loans given by Banks to following subsidiary Companies			
Guruashish Construction Private Limited		21,500.00	21,500.00
Privilege Power and Infrastructure Private Limited		75,600.00	75,600.00
(b) The Company has facilitated a vendor financing, setting up with IDBI bank limited upto ₹ 5,000.00 lacs. The Company has extended it's corporate guarantee to the IDBI bank.		5,000.00	5,000.00
36. CAPITAL COMMITTEMENT			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)		Nil	Nil

37. RELATED PARTY DISCLOSURE

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Wholly owned subsidiary	
Privilege Power and Infrastructure Private Limited	100%
Blue Star Realtors Private Limited	100%
Guruashish Construction Private Limited	100%
Excel Arcade Private Limited (Up to 04.03.2017)	100%
Mazda Estates Private Limited	100%
Other subsidiary	
Ravijyot Finance and Leasing Private Limited	60%
BKC Developers Private Limited	99%
Lashkaria Construction Private Limited	69%
HC Infracity Private Limited	75%
Enterprise significantly influenced by key management personnel	
Privilege Airways Private Limited	Privilege Health Care Services Private Limited
Privilege Industries Limited	
Joint Venture	
Fine Developers	Heritage Housing Development Corporation
Key management personnel	
Name	**Designation**
Shri Rakesh Kumar Wadhawan	Executive Chairman
Shri Sarang Wadhawan	Vice Chairman & Managing Director
Darshan Majmudar	Chief Financial Officer & Company Secretary

B. Transactions with related party

(₹ in Lacs)

Nature of transaction	31st March, 2017					31st March, 2016				
	Subsidiary	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total	Subsidiary	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total
Purchase of Land/FSI	157.39	-	-	-	157.39	227.95	-	-	-	227.95
Advance for project received	-	-	-	-	-	42,116.35	-	-	-	42,116.35
Repayment of Advance for project	27,200.76	-	-	-	27,200.76	-	-	-	-	-
Payment to Key managerial personnel	-	-	-	60.00	60.00	-	-	-	60.00	60.00
Sale of FSI/Property	-	5,728.90	-	-	5,728.90	-	-	-	-	-
Expenses incurred	-	41.02	-	-	41.02	-	71.93	-	-	71.93
Travelling expenses repaid	-	-	-	-	-	-	49.07	-	-	49.07
Outstanding as at year end- Due from	8,654.23	-	101.58	-	8,755.81	8,654.23	-	101.58	-	8,755.81
Outstanding as at year end- Due to	-	88.74	-	-	88.74	27,543.44	47.72	-	-	27,591.16

C. Disclosure in respect of material transactions with related parties during the year (included in 'B' above)

Particulars	Percentage of Holding	31st March, 2017	31st March, 2016
Expenses			
Travelling Expenses -Privilege Airways Private Limited		41.02	71.93
Total		**41.02**	**71.93**
Traveling Expenses repayment			
Privilege Airways Private Limited		-	49.07
Total		**-**	**49.07**
Purchase of Land/FSI			
Privilege Power & Infrastructure Private Limited	100%	157.39	227.95
Total		**157.39**	**227.95**
Advance for projects			
Privilege Power & Infrastructure Private Limited	100%	27,200.76	(42,116.35)
Total		**27,200.76**	**(42,116.35)**

Particulars	Percentage of Holding	31st March, 2017	31st March, 2016
Salary paid			
Shri Darshan D. Majmudar		60.00	60.00
Total		**60.00**	**60.00**
Sale of commercial units			
Privilege Industries Limited		5,728.90	-
Total		**5,728.90**	**-**
Balance outstanding as at :			
Other subsidiary			
Lashkaria Construction Private Limited	69%	5,668.46	5,668.46
HC Infracity Private Limited	75%	2,985.77	2,985.77
Total		**8,654.23**	**8,654.23**
Joint Ventures			
Fine Developers		1.58	1.58
Heritage Housing Development Corporation		100.00	100.00
Total		**101.58**	**101.58**
Trade payable, advances for projects			
Privilege Airways Private Limited		88.74	47.72
Privilege Power & Infrastructure Private Limited	100%	-	27,543.44
Total		**88.74**	**27,591.16**

38. FINANCIAL INSTRUMENTS

The significant accouting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)

31st March, 2017	Carrying amounts			
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assest				
Non Current				
Investments				
Invement in Equity instruments	-	56.90	-	56.90
Invement in Preference Shares	-	-	28,087.04	28,087.04
Other Non Current Financial Assets	-	-	80.16	80.16
Current				
Investments	-	-	101.58	101.58
Trade receivables	-	-	26,194.97	26,194.97
Cash and cash equivalents	-	-	377.18	377.18
Bank balances	-	-	11,028.54	11,028.54
Others	-	-	10,259.83	10,259.83
Financial Liabilites				
Non Current				
Borrowings	-	-	1,08,576.06	1,08,576.06
Other financial liabilities	227.47	-	189.30	(116.77)
Current				
Borrowings	-	-	84,406.35	84,406.35
Trade payables	-	-	45,780.81	45,780.81
Other financial liabilities	-	-	73,726.41	73,726.41

(₹ in Lacs)

31st March, 2016	Carrying amounts			
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assest				
Non Current				
Investments				
Invement in Equity instruments	-	56.90	-	56.90
Invement in Preference Shares	-	-	28,087.04	28,087.04
Other Non Current Financial Assets	-	-	82.32	82.32
Current				
Investments	-	-	101.58	101.58
Trade receivables	-	-	16,317.66	16,317.66
Cash and cash equivalents	-	-	3,267.98	3,267.98
Bank balances	-	-	10,385.72	10,385.72
Others	-	-	10,902.84	10,902.84
Financial Liabilites				
Non Current				
Borrowings	-	-	1,33,596.59	1,33,596.59
Other financial liabilities	319.26	-	200.17	519.43
Current				
Borrowings	-	-	61,472.86	61,472.86
Trade payables	-	-	45,299.93	45,299.93
Other financial liabilities	-	-	57,789.97	57,789.97

1st April, 2015	Carrying amounts			
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assest				
Non Current				
Investments				
Invement in Equity instruments	-	56.90	-	56.90
Invement in Preference Shares	-	-	28,087.04	28,087.04
Other Non Current Financial Assets	-	-	75.18	75.18
Current				
Investments	-	-	1.58	1.58
Trade receivables	-	-	19,096.68	19,096.68
Cash and cash equivalents	-	-	2,577.94	2,577.94
Bank balances	-	-	16,071.09	16,071.09
Others	-	-	9,747.20	9,747.20
Financial Liabilites				
Non Current				
Borrowings	-	-	1,27,154.70	1,27,154.70
Other financial liabilities	422.30	-	211.08	633.38
Current				
Borrowings	-	-	40,677.05	40,677.05
Trade payables	-	-	40,171.65	40,171.65
Other financial liabilities	-	-	76,057.11	76,057.11

Carrying amount of Investment, Trade Receivables, Cash and Cash Equivalent, Bank balances, Other financial Assets, Trade payables and Other financial liabilities as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequenty measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

The fair value hierachy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on availble market data.

The Company has fair valued the transaction of financial guarantee (under Other Financial Liabilities) on the basis of internal comparatble of a similar transaction with an unrelated party. The fair value so determined will therefore be classifed under Level 2. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair valued measurements and the cost represents estimate of fair valued within that range.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the risk management committee, which is responsible for developing and monitoring the risk management policies. The Company reports regularly to the Board of Directors on its activities.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which the employees understand their roles and obligations.

c) The Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Trade Receivables**

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's Credit risk in this respect.

The Company's credit risk with regard to trade receivables has a high degree of risk diversification, due to the large number of projects of vary in sizes and types with numerous different customer categories in a large number of geographical markets.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does no thave any significant concentrarion of credit risk.

The ageing of trade receivables is as follows:

(₹ in Lacs)

	31st March, 2017	31st March, 2016	01st April, 2015
Trade Receivables (Unsecured)			
Over six months	7,852.64	8,174.32	13,690.62
Less than six months	26,194.89	16,317.58	19,096.55
	34,047.53	**24,491.90**	**32,787.16**

The amounts reflected in the table above are not impaired as on the reporting date.

- Investment in Debt securities, Loans to Related Parties and Deposits

The Company has investments in non-convertible preference shares, loans to related parties and project deposits. Based on prior expreriance and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

  The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2017

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	1,00,679.45	80,544.32	22,713.85
Trade payables	45,780.81	-	-
Other financial liabilities	60,428.10	-	2,555.66

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	77,165.71	75,669.95	57,925.83
Trade payables	45,299.93	-	-
Other financial liabilities	40,200.55	-	2,112.88

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	93,490.04	71,182.22	55,973.49
Trade payables	40,171.65	-	-
Other financial liabilities	22,440.37	-	1,020.83

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activiities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management is as follows :

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Financial Assets			
Fixed rate instruments			
Bank Deposits			
- Current	11,028.54	10,385.72	16,071.09
- Non Current	40.00	40.00	40.00
Financial Liabilities			
Fixed rate instruments			
Borrowing - Non Convertible Debentures	22,489.52	31,999.52	75,651.30
Variable rate instruments			
Borrowing			
- From Schedule Bank	1,27,677.46	1,24,639.68	89,387.54
- From Financial institutions	53,770.64	54,122.29	55,606.91

Fair value sensitivity analysis for fixed rate instruments

Fixed rate financial assets/liabilities are carried out at amortised cost. Therefore they are not subject to interest rate risk since, neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposure outstanding as at that date. The year end balances are not necessarily represntative of the average debt outstanding during the period.

Particulars	100 BP Increase	100 BP Decrease
31st March, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowing	(1,145.17)	1,145.17
31st March, 2016		
Financial Liabilities		
Variable rate instruments		
Borrowing	(1,188.69)	1,188.69

39. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and trasacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

Particulars	SBN	Other Denomination notes	Total
Closing Cash in hand as on 8th Novemeber, 2016	58.76	50.46	109.22
Add : Permitted Receipts	-	31.48	31.48
Less : Permitted Payments	(50.31)	(25.92)	(76.23)
Less : Amount deposited in Banks	(8.45)	(0.14)	(8.59)
Closing Cash in hand as on 30th December, 2016	-	55.87	55.87

40. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judegement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

41. POST REPORTING EVENTS:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

42. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 30th May, 2017

43. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

44. The IT Department have appealed against the IT Tribunal's order, advising the IT Department for reassessment of Computation of Income of the block assessment of Income Tax for the Assessment Year 2009-10, 2010-11, 2011-12. The matter is Pending.

45. First-time adoption of Ind-AS

The transition as at April 1, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Optional Exemptions availed

i) Property, Plant & Equipment and Intangibles

As permitted by Ind As 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets.

ii) Investment in Subsidiary

The Company has elected to adopt the carrying value under previous GAAP as on the date of transition i.e. April 1, 2015 in its separate financial statements.

B) Manadatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistant with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and/or FVOCI
- Determination of the discounted value for financial instruments carried at amorised cost

ii) De-recognition of financial asets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind As. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of trasition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of trasition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

C) Reconciliations between Previous GAAP and Ind AS

i) Effect of Ind AS adoption on the Balance Sheet as at 31st March, 2016 and 1st April, 2015:

(₹ in Lacs)

	Balance Sheet as at 31 March 2016			Balance Sheet as at 1 April 2015		
	IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
ASSETS						
Non-current assets						
(a) Property, plant and equipment	13,656.06	(583.41)	13,072.65	11,897.82	-	11,897.82
(b) Investment Property	11,298.00	(294.16)	11,003.84	14,274.88	(651.38)	13,623.50
(c) Intangible assets	3.91	-	3.91	9.27	-	9.27
(d) Financial assets						
(i) Investments	1,09,368.54	813.51	1,10,182.05	1,09,368.54	813.51	1,10,182.05
(ii) Financial assets	82.53	(0.21)	82.32	76.54	(1.36)	75.18
(e) Other non-current assets	-	305.28	305.28	-	449.81	449.81
Total non-current assets	**1,34,409.04**	**241.01**	**1,34,650.05**	**1,35,627.05**	**610.58**	**1,36,237.63**
Current assets						
(a) Inventories	11,06,331.30	-	11,06,331.30	10,90,536.17	-	10,90,536.17
(b) Financial Assets						
(i) Investments	101.58	-	101.58	1.58	-	1.58
(ii) Trade receivables	16,317.66	-	16,317.66	19,096.68	-	19,096.68
(iii) Cash and cash equivalents	3,267.98	-	3,267.98	2,577.94	-	2,577.94
(iv) Bank balances other than (iii) above	10,385.72	-	10,385.72	16,071.09	-	16,071.09
(v) Others	10,876.70	26.14	10,902.84	9,734.95	12.25	9,747.20
(c) Other current assets	2,94,814.90	-	2,94,814.90	3,26,081.00	-	3,26,081.00
Total current assets	**14,42,095.84**	**26.14**	**14,42,121.98**	**14,64,099.41**	**12.25**	**14,64,111.66**
	15,76,504.88	**267.15**	**15,76,772.03**	**15,99,726.46**	**622.83**	**16,00,349.29**
EQUITY AND LIABILITIES						
Equity						
(a) Equity Share capital	41,900.40	-	41,900.40	41,900.40	-	41,900.40
(b) Other Equity	10,57,819.42	(149.38)	10,57,670.04	10,23,605.57	50.90	10,23,656.47
Total Equity	**10,99,719.82**	**(149.38)**	**10,99,570.44**	**10,65,505.97**	**50.90**	**10,65,556.87**
Liabilities						
Non-current liabilities						
(a) Financial liabilities						
(i) Borrowings	1,33,596.59	-	1,33,596.59	1,27,154.70	-	1,27,154.70
(ii) Other financial liabilities	-	519.44	519.44	-	633.38	633.38
(b) Provisions	223.51	-	223.51	164.07	-	164.07
(c) Deferred Tax Liabilities (net)	1,884.88	112.59	1,997.47	1,927.02	156.64	2,083.66
Total non-current liabilities	**1,35,704.98**	**632.03**	**1,36,337.01**	**1,29,245.79**	**790.02**	**1,30,035.81**
Current liabilities						
(a) Financial liabilities						
(i) Borrowings	61,472.86	-	61,472.86	40,677.05	-	40,677.05
(ii) Trade payables	45,299.93	-	45,299.93	40,171.65	-	40,171.65
(iii) Other financial liabilities	58,005.47	(215.50)	57,789.97	76,275.21	(218.09)	76,057.11
(b) Other current liabilities	1,61,183.45	-	1,61,183.45	2,26,380.77	-	2,26,380.77
(c) Provisions	462.46	-	462.46	263.35	-	263.35
(d) Current Tax Liabilities (Net)	14,655.91	-	14,655.91	21,206.67	-	21,206.67
Total current liabilities	**3,41,080.09**	**(215.50)**	**3,40,864.58**	**4,04,974.70**	**(218.09)**	**4,04,756.61**
	15,76,504.88	**267.15**	**15,76,772.03**	**15,99,726.46**	**622.83**	**16,00,349.29**

ii) Reconcilliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

(₹ in Lacs)

Particulars	Year ended 31 March 2016		
	IGAAP	Effects of transition to Ind-AS	Ind AS
Income			
Revenue from operations	1,16,829.64	14.94	1,16,844.58
Other Income	2,279.82	115.10	2,394.92
Total Income	**1,19,109.46**	**130.04**	**1,19,239.50**
Expenses			
Cost of materials consumed	55,911.84	-	55,911.84
Changes in inventories of finished goods and work-in-progress	(15,795.12)	-	(15,795.12)
Employee benefits expense	4,264.74	(32.56)	4,232.18
Finance costs	36,720.43	148.17	36,868.60
Depreciation and amortization expense	547.60	226.20	773.80
Other expenses	8,605.86	-	8,605.86
Total Expenses	**90,255.35**	**341.80**	**90,597.16**
Profit before tax	**28,854.11**	**(211.77)**	**28,642.34**
Tax Expense			
Current tax			
- Current Year	2,400.00	-	2,400.00
- Earlier Year	(7,717.60)	-	(7,717.60)
- Deferred tax	(42.14)	(44.05)	(86.19)
Profit for the year	**34,213.85**	**(167.72)**	**34,046.13**
Other Comprehensive income			
Items that will not be reclassified to profit or loss Remeasurement of the defined benefit (liabilities)/assets (net of tax)	-	(32.56)	(32.56)
Total Comprehensive profit for the year	**34,213.85**	**(200.28)**	**34,013.57**

iii) The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

Particulars		Net Profit Year ended 31.03.2016	Other Equity	
			31.03.2016	01.04.2015
Net Profit/Other Equity Under Previous Indian GAAP	(A)	34,213.85	10,99,719.82	10,65,505.97
1 Notional income from Corporate Guarantee		103.04	494.25	391.21
2 Discounting of Security Deposit Received and Paid to present value and corresponding impact on Finance Cost/Income		8.43	15.29	6.87
3 Impact of adjustment of Lease Income		14.94	26.14	11.20
4 Impact of adjustment on anciliary cost on borrowing amortised		(144.53)	305.11	449.64
5 Impact on Depreciation of investment properties		(226.20)	(877.58)	(651.38)
6 Deferred Tax impact of above adjustment		44.04	(112.59)	(156.64)
	(B)	**(200.28)**	**(149.38)**	**50.90**
Net Profit/Other Equity as per IND AS	(A+B)	**34,013.57**	**10,99,570.44**	**10,65,556.87**

1 **Corporate Guarantee**

The Company has recognised the financial guarantee initially at its fair value and recognised the same on straight-line basis in accordance with Ind AS 18.

2 **Security Deposit**

Under the previous GAAP, Interest free lease security deposits were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as Prepaid.

3 **Lease income**

The Company has identified and reassessed its terms in the lease arrangement and any future increase in the lease receipts, otherwise than on account of inflation, has been accounted on straight line basis.

4 **Borrowing cost amortised**

Under Previous GAAP, thses transaction cost were charged to Profit & Loss Account as and when incurred. Under Ind AS, these cost are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying effective interest rate method.

5 **Investment Properties**

Under Ind AS, Investment properties have been seperately presented on the face of the balance sheet and measures as per the cost model prescribed in Ind AS 16 in line with Ind AS 40.

6 **Deferred Tax**

Deferred Tax has ben recognised on adjustments made on trasition to Ind AS.

7 **Remeasurement of post employement benefits obligation**

Under Ind AS, remeasurement i.e. acturial gain and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of **BLUE STAR REALTORS PRIVATE LIMITED** will be held on September 26, 2017, Tuesday, at 5:00 P.M. at Dewan Tower, Station Road, Vasai Road, Vasai (W), Thane - 401 202, to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of Financial Statements:

To receive, consider and adopt, the Audited financial statements of the Company for the financial year ended March 31, 2017 and the Report of Board of Directors' and the Auditors' thereon.

Item No. 2: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Lakhminder Dyal Singh (DIN: 00418226), who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Item No. 3: Appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors in place of Retiring Statutory Auditor:

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

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) be and are hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of 27th Annual General Meeting till the conclusion of 32th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and applicable taxes as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

By order of the Board of Directors

Director
(Ashok Kumar Gupta)
(DIN: 00145816)

Place: Mumbai
Date: May 29, 2017

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY, AS APPLICABLE.**

   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

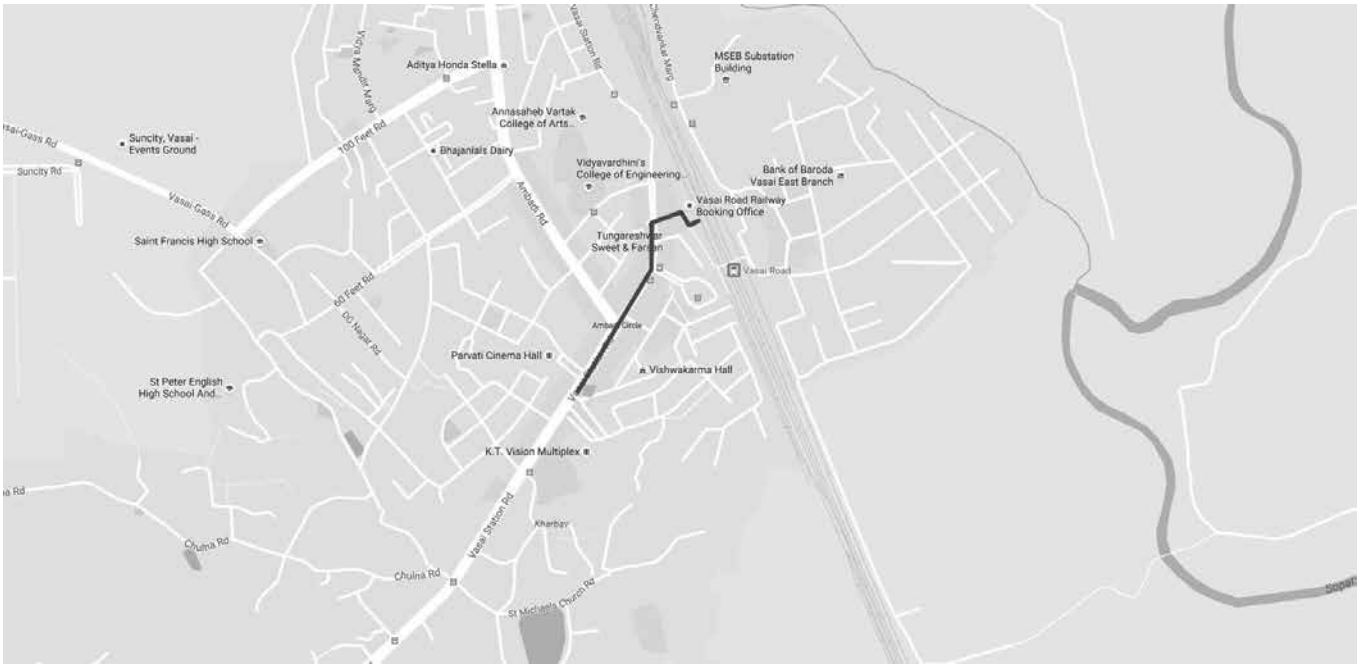
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

(Venue : Dewan Tower, Station Road, Vasai Road, Vasai (W), Thane - 401 202)

(Directions from Bandra Railway Station)



EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013 ("The Act"), sets out all material facts relating to Item No. 2 and 3 mentioned in the accompanying Notice for convening the 27th Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mr. Lakhminder Dyal Singh, (DIN: 00418226) including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except Mr. Lakhminder Dyal Singh and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / their relatives / Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

TABLE A - BRIEF PROFILE OF APPOINTMENT/REAPPOINTMENT OF DIRECTOR

Name of Director	Mr. Lakhminder Dyal Singh
Age	57 Years
Qualification	Commerce Graduate
Experience	He has a rich experience in the Field of Real Estate of 28 years.
Terms and condition for Re- appointment	Appointed as Non-Executive Director, liable to retire by rotation and Sitting fees shall be paid as per the Section 197 of the Act and rules thereunder.
Detail of Remuneration	Nil
Date of First Appointment on board	15/10/2015
Shareholding in the Company	NIL
Relationship with other director/Manager and other KMP	None
Number of meetings attended during the financial year 2016-17	5 (Five)
Directorships of other Board	- Bidco Studs Private Limited
	- Green Acres Resorts And Realtors Private Limited
	- Suansa Power Private Limited
	- Satyam Realtors Private Limited
	- Derby Developers Private Limited
	- Emerald Realtors Private Limited
	- Sapphire Land Development Private Limited
	- HDIL Harmony Mall Company Limited
	- Somerset Construction Private Limited
	- Dheeraj Consultancy Private Limited
	- Awas Developers and Constructions Private Limited
	- Anand Shree Bombay (Holding) Private Limited
	- The Annexe Mall Company Limited
	- HDIL Infra Projects Private Limited
	- Privilege Ports and Energy Private Limited
	- Privilege Hi-Tech Infrastructure Limited
Membership/Chairmanship of Committees of other Board	NIL

Item No. 3

Keeping in view the requirements set out in the Act, the Board of Directors of the Company have recommended appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company for the term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statement of the Company for the Financial Year ending March 31, 2018.

M/s. Rajeswari & Associates, Chartered Accountants have consented to and confirmed that their appointment, if made, be within the limits so specified under Section 141 (3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out in Item No.3 of the Notice for approval by the members.

By order of the Board of Directors

Director
(Ashok Kumar Gupta)
(DIN: 00145816)

Place: Mumbai
Date: May 29, 2017

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 27th Annual Report of the Company together with the Audited Financial Statement for the Financial Year ("**F.Y.**") ended March 31, 2017.

BACKGROUND AND OPERATIONS:

Your Company is a subsidiary of Housing Development and Infrastructure Limited and is engaged into real estate development.

PROJECTS:

The Company has land situated in a specific Special Economic Zone ("**SEZ**") for Information Technology ("**IT**") at Kalamassery, Kochi, Kerala admeasuring an area of 28.32 hectares.

However, the Company has applied for de notification of SEZ and post that the Company will look forward to develop or sell the land, considering the market scenario at that time.

FINANCIAL PERFORMANCE:

Your Company's performance during the F.Y. ended March 31, 2017, as compared to the previous F.Y. is summarised below:

(₹ in Lakhs)

Financial Results	For the year ended March 31, 2017	For the Year ended March 31, 2016
Total Revenue	3.00	3.00
Profit before Depreciation, Interest and Tax	1.85	1.43
Less : Depreciation	-	-
: Interest	-	-
Profit before Tax	**1.85**	**1.43**
Provision for Tax (including Deferred Tax)	0.57	0.46
Net Profit after Tax	**1.28**	**0.97**
Add: Surplus brought forward from previous year	14.41	13.43
Profit available for Appropriation	**15.69**	**14.40**
Appropriation:		
Transferred to General Reserve	-	-
Balance carried to Balance Sheet	15.69	14.40
TOTAL	**15.69**	**14.40**

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous year's figures have been restated to confirm to Ind AS.

COMPANY'S PERFORMANCE:

Your Company has earned ₹ 3.00 lakhs revenue during the year as against revenue of ₹ 3.00 lakhs in the previous year, profit of ₹ 1.27 lakhs during the year as against profit of ₹ 0.98 lakhs in the previous year. The Directors are hopeful for a better performance in the upcoming years.

No material changes and commitments have occurred between the end of the F.Y. and the date of this report, which affect the financial position of the Company.

DIVIDEND:

To conserve the resources, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL:

The paid-up equity share capital of the Company as at March 31, 2017 was ₹ 340.00 lakhs (Rupees Three Hundred and Forty Lakhs Only). During the F.Y. 2016-17, there was no change in the issued, subscribed and paid up share capital of the Company.

RESERVES:

The Board of Directors ("the Board") has not recommended transfer of any amount of profit to reserves during the year under review. Hence, the entire amount of profit for the F.Y. has been carried forward to the surplus in the Statement of Profit and Loss.

DEPOSITS:

The Company has not accepted deposit from the public, falling within the ambit of Section 73 to 76 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as Annexure 'A'.

BOARD OF DIRECTORS :

As on 31st March, 2017, your Company has three directors in the Board:

i) Mr. Sarang Wadhawan

ii) Mr. Ashok Kumar Gupta

iii) Mr. Lakhminder Dyal Singh

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. Lakhminder Dyal Singh, Director of the Company is liable to Retire by Rotation and offer himself for reappointment.

Further, Mr. Hazari lal and Ms. Sandhya Baliga (Independent Director) have resigned from the Board w.e.f September 10, 2016. The Board places on record their appreciation and gratitude for their guidance and contribution during their association with the Company.

BOARD MEETING:

The Board meets at regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 5 times during the F.Y. 2016-17; on 28/05/2016, 10/09/2016, 03/10/2016, 12/12/2016 & 14/02/2017.

- Attendance by the Directors in the Board Meeting

The Board duly met 5 times during the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below :

Name of the Directors	Director Identification Number	Attendance		
		No of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Mr. Sarang Wadhawan	00028608	5	5	Yes
Mr. Ashok Kumar Gupta	00145816	5	5	Yes
Mr. Lakhminder Dyal Singh	00412886	5	5	Yes

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD:

Your Company had following committees of the Board during the FY 2016-17:

- Audit Committee
- Nomination and Remuneration Committee,

But with regards to non-applicability of Section 177 & 178 of the Companies Act 2013; the Company in its board meeting held on September 10, 2016 has dissolved the said Committee's and its Operation.

As on March 31, 2017, your Company doesn't constitute any Committee.

STATUTORY AUDITORS:

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current Statutory Auditors, M/s. Thar & Co., Chartered Accountants (Firm Registration No. 110958W) on completion of maximum term permitted under the said section which is due at the ensuing Annual General Meeting.

Accordingly, the Board of Directors of the Company recommended the appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company. M/s. Rajeswari & Associates will hold office for a period of five consecutive years from the conclusion of the 27th Annual General Meeting of the Company, 2017, till the conclusion of 32nd Annual General Meeting, subject to the approval of the Shareholder of the Company. The first year of audit will be of the financial year ending March 31, 2018.

EXPLANATION ON AUDITORS' REPORT:

As regards the observation by the Auditor in the Auditors' Report regarding delay in payment of Statutory dues, the Company will take remedial measures to pay the same and ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers other than as stated above by Auditors in their Report dated May 29, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

MANAGERIAL REMUNERATION:

As the Company has not paid any remuneration to any Directors, the company is not required to make disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial controls with reference to financial statements and that ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Pursuant to Section 186 of the Act, particulars of the loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS:

During the F.Y. 2016-17, there were no related party transactions.

RISK MANAGEMENT:

Risk Management is an integral part of the Company's business strategy and taking that into consideration, your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board has in place a Risk Management policy to manage risk through a detailed policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y. 2016-17.

During the F.Y. 2016-17, the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

APPRECIATION:

Your Directors express their sincere thanks to the Bank, Business Associates and Government Authorities for their assistance and co-operation extended from time to time.

For and on behalf of the Board of Directors

	Mr. Ashok Kumar Gupta	**Mr. Sarang Wadhawan**
Place: Mumbai	Director	Director
Date : May 29, 2017	(DIN: 00145816)	(DIN: 00028608)

ANNEXURE 'A'

FORM NO. MGT 9

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

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2017

I. REGISTRATION AND OTHER DETAILS:

CIN	U45200MH1990PTC055968
Registration Date	March 26, 1990
Name of the Company	Blue Star Realtors Private Limited
Category/Sub-category of the Company	Company Limited by Shares/ Indian Non- Government Company- Private Limited Company
Address of the Registered office & contact details	Dewan Tower, Station Road, Vasai (West), Thane – 401 202 Tel: +91 22 6788 9000 Fax: +91 22 6788 9090 e-mail id: darshan.majmudar@hdil.in
Whether listed Company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	100.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	34,00,000	34,00,000	100.00	-	34,00,000	34,00,000	100.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**34,00,000**	**34,00,000**	**100.00**	**-**	**34,00,000**	**34,00,000**	**100.00**	**-**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	**-**	**34,00,000**	**34,00,000**	**100.00**	**-**	**34,00,000**	**34,00,000**	**100.00**	**-**

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. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.:									
Indian	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B) = (B)(1)+ (B)(2)	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs and ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**-**	**34,00,000**	**34,00,000**	**100.00**	**-**	**34,00,000**	**34,00,000**	**100.00**	**-**

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	34,00,000	100.00	-	34,00,000	100.00	-	-
	Total	**34,00,000**	**100.00**	**-**	**34,00,000**	**100.00**	**-**	**-**

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

Sr. No.	Particulars	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
	At the beginning of the year Date wise increase/ decrease in Promoters Shareholding during the year specifying the reason for increase/ decrease: At the end of the year	No change in the Promoters' shareholding during the year			

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
-	-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Sarang Wadhawan	-	-	-	-
2	Mr. Ashok Kumar Gupta	-	-	-	-
3	Mr. Lakhminder Dyal Singh	-	-	-	-
4	Mrs. Sandhya Baliga*	-	-	-	-
5	Mr. Hazari Lal**				
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Sarang Wadhawan	-	-	-	-
2	Mr. Ashok Kumar Gupta	-	-	-	-
3	Mr. Lakhminder Dyal Singh	-	-	-	-
4	Mrs. Sandhya Baliga*	-	-	-	-
5	Mr. Hazari Lal**	-	-	-	-

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Sarang Wadhawan	-	-	-	-
2	Mr. Ashok Kumar Gupta	-	-	-	-
3	Mr. Lakhminder Dyal Singh	-	-	-	-
4	Mrs. Sandhya Baliga	-	-	-	-
5	Mr. Hazari Lal				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Sarang Wadhawan	-	-	-	-
2	Mr. Ashok Kumar Gupta	-	-	-	-
3	Mr. Lakhminder Dyal Singh	-	-	-	-
4	Mrs. Sandhya Baliga	-	-	-	-
5	Mr. Hazari Lal	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	Not Applicable	
	(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		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit- others, specify…		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	**Independent Directors**	**Mrs. Sandhya Baliga**	**Mr. Hazari Lal**		
	Fee for attending Board / Committee Meetings	0.10	0.10		0.20
	Commission	-	-		-
	Others, please specify	-	-		-
	Total (1)	0.10	0.10		0.20
2	**Other Non-Executive Directors**	**Mr. Ashok Kumar Gupta**	**Mr. Sarang Wadhawan**	**Mr. Lakhminder Dyal Singh**	**-**
	Fee for attending Board / Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1+2)			-	**0.20**
	Ceiling as per the Act	Not Applicable as only sitting fees paid			

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	Not Applicable			
	(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				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify…				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Ashok Kumar Gupta
Director
(DIN: 00145816)

Sarang Wadhawan
Director
(DIN: 00028608)

Place: Mumbai
Date: May 29, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of **BLUE STAR REALTORS PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying Financial Statements of BLUE STAR REALTORS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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.

Auditors' 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 of the financial statement 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. 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, 2017 and its profit 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, and the 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigation which would impact its financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Company. Refer Note No. 22 to the Ind AS financial statements.

For **Thar & Co.**,
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31st March, 2017 of BLUE STAR REALTORS PRIVATE LIMITED:

(i) The Company does not have any fixed assets and therefore the provisions of clause (i) of paragraph 3 of the Order are not applicable to the Company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of inventory records, no material discrepancy was discovered during the period.

(iii) The Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) The Company has not granted any Loans or Guarantees to directors or made any investments as mentioned in the Section 185 and Section 186 of the Act and hence the provisions of clause (iv) are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.

(vi) As the aggregate value of turnover of the Company during the immediately preceding financial year did not exceed rupees thirty five crores, the provisions of Companies (cost records and audit) Rules, 2014 notified by the Central Government under Section 148 of the Act are not applicable to the Company for the current financial year.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed amount of statutory dues in respect of Provident Fund, Employee's State Insurance, Income-Tax, Sales Tax, Service-tax, VAT, cess and other material applicable statutory dues have generally been regularly deposited with the appropriate authorities and as on 31st March, 2017, no such dues were outstanding for a period of more than six months from the date they became payable except for the following :

Nature of dues (including interest)	` in Lakhs
Tax Deducted at Source	0.11

(b) According to the information and explanations given to us, there are no material dues of Service Tax, Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute except following Income-tax demand:

Name of the statute	**Nature of dues**	**Forum where the Dispute is Pending**	**Period to which the Amount Relates**	**Amount Involved (Rs in Lakhs)**	**Amount unpaid**
Income Tax Act, 1961	TDS	CIT Appeals, Thane	F.Y. 2013-14	321.90	321.90
Income Tax Act, 1961	TDS	CIT Appeals, Thane	F.Y. 2012-13	33.28	33.28
Income Tax Act, 1961	Income Tax	CIT Appeals, Thane	F.Y. 2012-13	37.03	37.03

(viii) The Company does not have any dues to Banks, Financial Institutions or Debenture Holders and hence the provisions under clause (viii) of the paragraph 3 of the Order are not applicable to the Company.

(ix) The Company has not raised money through initial public offers or further public offers or debt instruments or term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) The Company has not paid Managerial Remuneration during the year hence the provisions of clause (xi) of the paragraph 3 of the Order are not applicable.

(xii) The Company is not a Nidhi Company as specified by the Act and hence the provisions under clause (xii) of the paragraph 3 of the Order are not applicable.

(xiii) Based on the audit procedure performed and the representation from the management, no case of related party transactions occurred during the financial year and hence the provisions under sections 177 and 188 are not applicable for the Company.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of the Paragraph 3 of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934.

For **Thar & Co.**,
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of M/S BLUE STAR REALTORS PRIVATE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Thar & Co.**,
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	01st April, 2015
(A) ASSETS				
Non-current assets				
(a) Financial Assets				
Investments	2	25.00	25.00	25.00
Current assets				
(a) Inventories	3	44,147.17	41,870.65	39,951.68
(b) Financial Assets				
(i) Cash and cash equivalents	4	2.73	2.05	2.39
(ii) Others	5	-	-	0.80
Total Assets		**44,174.90**	**41,897.70**	**39,979.87**
(B) EQUITY AND LIABILITIES				
(a) Equity Share capital	6	340.00	340.00	340.00
(b) Other Equity	7	27,834.07	27,832.79	27,831.82
(A) LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	8	351.09	351.09	351.09
(B) Current liabilities				
(a) Financial Liabilities				
Trade payables	9	4.26	-	1.63
(b) Other current liabilities	10	15,644.91	13,373.31	11,454.70
(c) Current Tax Liabilities (Net)	11	0.57	0.51	0.63
Total Equity and Liabilities		**44,174.90**	**41,897.70**	**39,979.87**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Lakhminder Dyal Singh
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	Revenue From Operations		-	-
II	Other Income	12	3.00	3.00
III	**Total Income (I+II)**		**3.00**	**3.00**
IV	EXPENSES			
	Cost of materials consumed	13	2,267.82	1,911.03
	Changes in inventories of finished goods and work-in-progress	14	(2,276.51)	(1,918.97)
	Finance costs	15	-	0.05
	Other expenses	16	9.84	9.46
	Total expenses (IV)		**1.15**	**1.57**
V	**Profit/(loss) before exceptional items and tax (III- IV)**		**1.85**	**1.43**
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		1.85	1.43
VIII	Tax expense:			
	(1) Current tax		0.57	0.46
	(2) Deferred tax			-
			0.57	**0.46**
IX	**Profit/(loss) for the year (VII-VIII)**		1.28	0.97
X	Other Comprehensive Income			
	A. Items that will not be reclassified to profit or loss		-	-
	B. Items that will be reclassified to profit or loss		-	-
			-	**-**
XI	**Total Comprehensive Income for the year (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the year)**		**1.28**	**0.97**
XII	Earnings per equity share (for continuing operation):			
	(1) Basic		0.04	0.03
	(2) Diluted		0.04	0.03
	Accounting Policies	1		

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Lakhminder Dyal Singh
(Director)

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	340.00	340.00
Change in Equity Share capital during the year	-	-
Balance at the end of the year	-	-
TOTAL	**340.00**	**340.00**

B. Other Equity

Other Equity	Reserves & Surplus				Total
	Securities Premium Account	Capital Reserve	Capital Redemption Reserve	Retained Earnings	
As at 1st April , 2015	27,750.32	6.00	62.07	13.43	27,831.82
Profit for the year	-	-	-	0.97	0.97
Other Comprehensive Income for the year	-	-	-	-	-
Total Comprehensive income for the year	**-**	**-**	**-**	**0.97**	**0.97**
Contributions by and distributions to owners					
Balance as at 31st March, 2016	27,750.32	6.00	62.07	14.40	27,832.79
Profit for the year	-	-	-	1.28	1.28
Other Comprehensive Income for the year	-	-	-	-	
Total Comprehensive income for the year	**-**	**-**	**-**	**1.28**	**1.28**
					-
Contributions by and distributions to owners					-
Balance as at 31st March, 2017	**27,750.32**	**6.00**	**62.07**	**15.68**	**27,834.07**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Lakhminder Dyal Singh
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	31st March, 2017		31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		1.85		1.43
	Adjustments for :				
	Investment income		(3.00)		(3.00)
	Operating profit before working capital changes		(1.15)		(1.57)
	Movements in working capital :				
	Decrease / (Increase) in inventories	(2,276.51)		(1,918.97)	
	Decrease / (Increase) in short term loans and advances	-		0.80	
	(Decrease) / Increase in trade payables and other current liabilities	2,275.85		1,917.03	
	Net movement in working capital		(0.66)		(1.14)
	Cash used in operations		(1.81)		(2.71)
	Less : Direct taxes paid (net of refund)		0.51		0.63
	Net cash used in operating activities		**(2.32)**		**(3.34)**
B	**Cash flows from investing activities**				
	Investment income		3.00		3.00
	Net cash used in investing activities		**3.00**		**3.00**
C	**Cash flows from financing activities**				
	Net cash from financing activities		-		28,087.04
	Net cash from financing activities		**-**		**(827.27)**
	Net increase in cash and cash equivalents (A + B + C)		**0.68**		**(0.34)**
	Cash and cash equivalents at the beginning of the year		2.05		2.39
	Cash and cash equivalents at the end of the year		**2.73**		**2.05**
	Components of cash and cash equivalents as at		**31-Mar-2017**		**31-Mar-2016**
	Cash on hand		0.52		1.52
	With banks - on current account		2.21		0.53
	Total		**2.73**		**2.05**

Notes :

1) The above cash flow statement has been prepared under the "indirect method" as set out in accounting standard - 3 "Cash Flow Statement".

2) Figures in the brackets indicate outflow.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Lakhminder Dyal Singh
(Director)

1. Corporate Information

Blue Star Realtors Private Limited is engaged primarily in the business of real estate construction , development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at Dewan Tower Station Road, Vasai (West), Thane - 401 202.

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 27. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- **Unit in real estate: -**

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

ii) Dividends: -

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

iii) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("`"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted for the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company has both defined benefit and defined contribution schemes for its employees. For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions. For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT) Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed

in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the year they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- Debt Instrument

  Amortised Cost A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI) A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met: The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL) FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

- **Equity investments**: The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.
- **Investment in subsidiaries** Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.
- **Derecognition of financial assets**: The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.
- **Impairment of financial assets**: The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**: Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.
- **Financial liabilities measured at FVTPL (fair value through profit or loss)**: Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.
- **Derecognition of financial liabilities**: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.
- **Offsetting of financial instruments**: Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.
- **Determination of fair**: value Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities: The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

NOTES ON THE FINANCIAL STATEMENTS

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
2. Investments (Non Current)			
Investments in Equity Instruments			
Punjab and Maharashtra Co - Operative Bank Limited	25.00	25.00	25.00
1,00,000 (Previous year 1,00,000) Equity shares of ₹ 25/- each fully paid			
	25.00	**25.00**	**25.00**
3. **Inventories:**			
Work-in-progress	44,147.17	41,870.65	39,951.68
	44,147.17	**41,870.65**	**39,951.68**
4. Cash and cash equivalents			
(i) Balances with Banks (of the nature of cash and cash equivalents);			
Current accounts	2.21	0.53	0.86
(ii) Cash on hand	0.52	1.52	1.53
	2.73	**2.05**	**2.39**
5. Others			
Advance to suppliers	-	-	0.80
	-	**-**	**0.80**
6. Equity Share Capital			
Authorised			
34,00,000 (previous year 34,00,000) Equity shares of ₹ 10/- each	**340.00**	**340.00**	**340.00**
Issued, Subscribed and Paid up			
34,00,000 (previous year 34,00,000) Equity shares of ₹ 10/- each fully paid.	340.00	340.00	340.00
	340.00	**340.00**	**340.00**

Terms / rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

i) Reconciliation of the number of shares outstanding :

Particulars	Number	Number	Number
Shares outstanding at the beginning of the year	34,00,000	34,00,000	34,00,000
Shares Issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	**34,00,000**	**34,00,000**	**34,00,000**

ii) Shares in the Company held by each shareholder holding more than 5 percent :

Housing Development and Infrastructure Limited - Holding Company	" No. % held "	" 34,00,000 100% "	" 34,00,000 100% "	" 34,00,000 100% "

NOTES ON THE FINANCIAL STATEMENTS

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
7. Other Equity			
Securities Premium Account	27,750.32	27,750.32	27,750.32
Capital Reserve	6.00	6.00	6.00
Capital Redemption Reserve	62.07	62.07	62.07
Retained Earnings	15.68	14.41	13.43
	27,834.07	**27,832.80**	**27,831.82**
8. Non Current Borrowings			
35,10,880 (previous year 35,10,880) 5% Cumulative Redeemable Preference shares of ₹ 10/- each fully paid.	351.09	351.09	351.09
	351.09	**351.09**	**351.09**
9. Trade payables (Current)			
Micro, Small and Medium Enterprises	-	-	-
Others	4.26	-	1.63
	4.26	**-**	**1.63**

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

10. Other current liabilities			
Statutory dues	0.19	0.37	0.10
Others	15,644.72	13,372.94	11,454.60
	15,644.91	**13,373.31**	**11,454.70**
11. Current Tax Liabilities (Net)			
(i) Provision for taxation	2.38	1.81	1.96
(ii) Less : Tax Paid	1.81	1.30	1.33
	0.57	**0.51**	**0.63**

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
12. Other income		
Dividend received (From Co-operative Bank)	3.00	3.00
	3.00	**3.00**
13. Cost of materials consumed		
Cost of material consumed	2,267.82	1,911.03
	2,267.82	**1,911.03**
14. Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		
Opening work-in-progress	41,870.66	39,951.68
Closing work-in-progress	44,147.17	41,870.65
	(2,276.51)	**(1,918.97)**

NOTES ON THE FINANCIAL STATEMENTS

Particulars		Year ended 31st March, 2017	Year ended 31st March, 2016
15.	**Finance costs**		
	Other interest	-	0.05
		-	**0.05**
16.	**Other expenses**		
	Other expenses	0.16	0.04
	Security charges	8.69	5.21
	Profession tax	0.03	0.02
	Payment to auditors		
	Audit fees	0.58	0.57
	Directors remuneration, commission and sitting fees		
	Director Sitting fees	0.23	0.68
	Filing fees paid to the Registrar of Companies	0.07	0.11
	Total	**9.84**	**9.46**
	Above expenses includes Project related expenses	**8.69**	**7.94**
17.	**Earnings Per Equity Share Has Been Computed As Under:**		
	(i) Net profit after tax as per Statement of Profit and Loss	1.28	0.97
	(ii) Number of fully paid equity shares used in computing earnings per equity share		
	Basic Nos.	3,400,000	3,400,000
	Diluted Nos.	3,400,000	3,400,000
	(iii) Basic Earnings per share	0.04	0.03
	(iv) Diluted Earnings per share	0.04	0.03
	(v) Nominal value per equity share is ₹ 10/- fully paid		
18.	**Contingent Liabilities Not Provided For**	Nil	Nil
19.	**Capital Committment**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil
20.	**Related Party Disclosure**		

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Holding Company

Housing Development and Infrastructure Limited

Enterprise significantly influenced by key management personnel

Not applicable

Key management personnel

Not applicable

B. Transactions with related parties

Nature of transaction	31st March, 2017			31st March, 2016		
	Holding Company	Key Management Personnel	Total	Holding Company	Key Management Personnel	Total
	-	-	-	-	-	-
	-	-	-	-	-	-

21. FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)

31st March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non-current assets		
Investments	25.00	25.00
Current		
Cash and cash equivalents	2.73	2.73
Others	-	-
Financial Liabilities		
Trade payables	4.26	4.26

31st March, 2016	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non-current assets		
Investments	25.00	25.00
Current		
Cash and cash equivalents	2.05	2.05
Others	-	-
Financial Liabilities		
Trade payables	-	-

1st April, 2015	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non-current assets		
Investments	25.00	25.00

1st April, 2015	Carrying amounts	
	Amortised cost	Total
Current		
Cash and cash equivalents	2.39	2.39
Others	0.80	0.80
Financial Liabilities		
Trade payables	1.63	1.63

Carrying amount of Investment, Cash and Cash Equivalent, Other financial Assets and Trade payables as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of other financial assets subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- Cash and Bank Balances

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

The table below provides details regarding the contractual maturities of financial liabilities as at 31st March, 2017

Particulars	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	4.26	-	-

The table below provides details regarding the contractual maturities of financial liabilities as at 31st March, 2016

Particulars	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	-	-	-

The table below provides details regarding the contractual maturities of financial liabilities as at 1st April, 2015

Particulars	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	1.63	-	-

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- Currency risk

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- Interest rate risk

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

22. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

(₹ in Lacs)

Particulars	SBN	Other Denomination notes	Total
Closing Cash in hand as on 8th November, 2016	-	0.05	0.05
Add : Permitted Receipts	-	0.50	0.50
Less : Permitted Payments	-	(0.03)	(0.03)
Less : Amount deposited in Banks	-	-	-
Add : Amount withdrawn from Banks	-	-	-
Closing Cash in hand as on 30th December, 2016	-	0.52	0.52

23. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

24. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

25. Authorisation Of Financial Statements

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017.

26. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

27. First-time adoption of Ind-AS

The transition as at April 1, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVOCI
- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind As. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

B) Reconciliation between previous GAAP and Ind AS

The exercise of transition of the balances under previous GAAP to Ind AS was carried out by the Company as on 1st April 2015 in accordance with Indian Accounting Standards and after considering the principles of the said standard, there have been no change in the balances of other equity, components of Balance Sheet and Profit and Loss account as on 1st April 2015 consequently as on 31st March 2016.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Lakhminder Dyal Singh
(Director)

NOTICE

To,

The Members

NOTICE is hereby given that the 14th Annual General Meeting of the Members of the Company will be held on September 26, 2017, Tuesday at 10:00 A.M. (IST) at 5th Floor, HDIL Towers, Anant Kanekar Marg, Bandra (E), Mumbai - 400 051, to transact the following business:

ORDINARY BUSINESS:

Item No. 1: Adoption of Financial Statements:

To receive, consider and adopt, the Audited financial statements of the Company for the financial year ended March 31, 2017 and the Report of Board of Directors' and the Auditors' thereon.

Item No. 2: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Minesh Shah (DIN : 00267842), who retires by rotation and being eligible offers himself for re-appointment.

Item No. 3: Appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors in place of Retiring Statutory Auditor:

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

"**RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) be and are hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of 14th Annual General Meeting till the conclusion of 19th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and applicable taxes as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

SPECIAL BUSINESS:

Item No. 4: Appointment of Mr. Deepak Shirke (DIN: 07108915) as Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Act and the rules made there under, Mr. Deepak Shirke (DIN : 07108915), who was appointed as an Additional Director of the Company by the Board of Directors with effect from September 10, 2016 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is appointed as Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

BY ORDER OF THE BOARD OF DIRECTORS

Director
(Venkatavarathan Iyengar)
DIN: 00418374

Place : Mumbai
Date : May 29, 2017

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY, AS APPLICABLE.**

   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

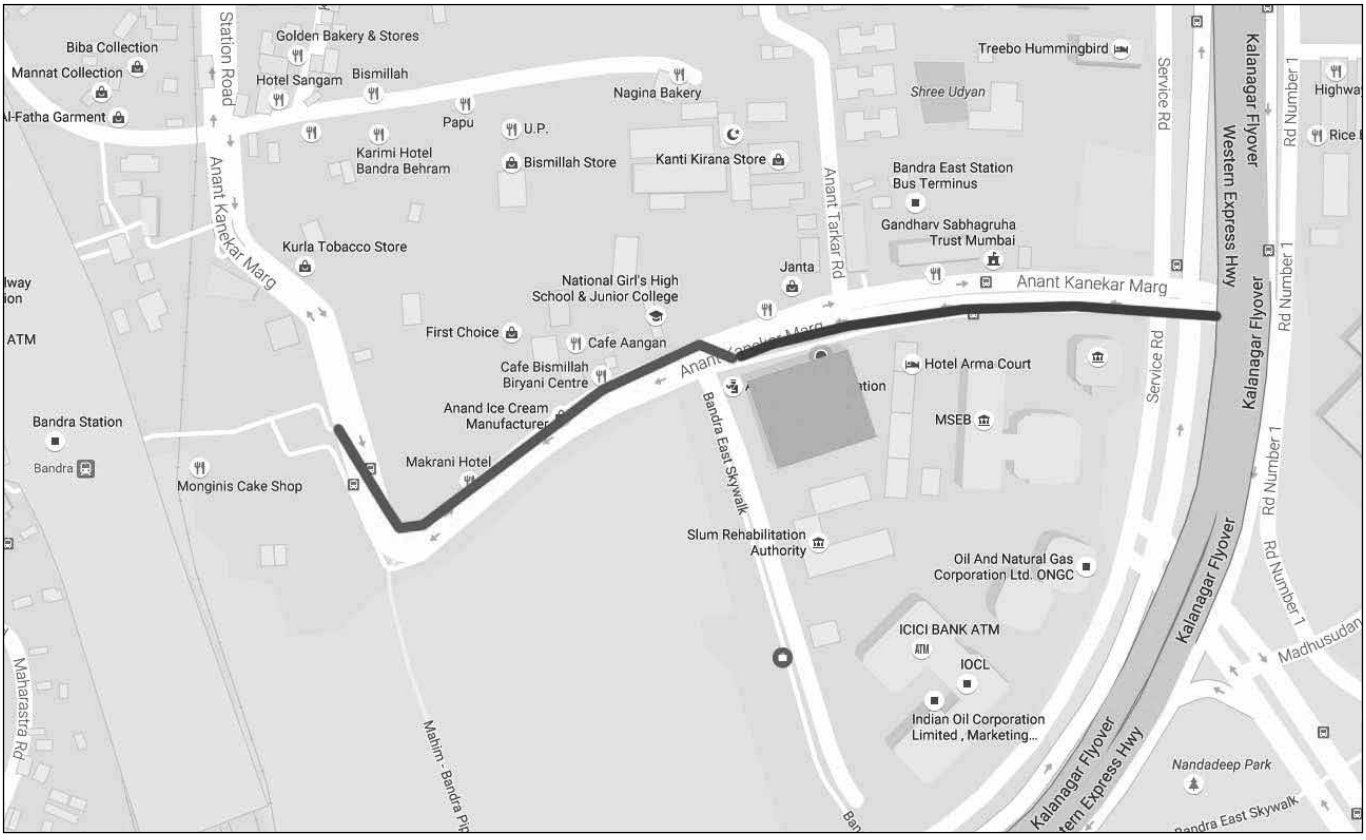
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

(Venue: 5th Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051)

Directions from Bandra Railway Station:



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

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013 ("The Acy"), sets out all material facts relating to Item No. 2, 3 and 4 mentioned in the accompanying Notice for convening the 14th Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mr. Minesh Shah, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except, Mr. Minesh Shah and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

Item No. 3

Keeping in view the requirements set out in the Act, the Board of Directors of the Company have recommended appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company for the term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statement of the Company for the Financial Year ending March 31, 2018.

M/s. Rajeswari & Associates, Chartered Accountants have consented to and confirmed that their appointment, if made, be within the limits so specified under Section 141 (3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out in Item No.3 of the Notice for approval by the members.

Item No. 4

The Board of Directors of the Company at the meeting held on September 10, 2016 appointed Mr. Deepak Shirke (DIN: 07108915) as an Additional Director of the Company. Pursuant to Section 161(1) of the Act, Mr. Deepak Shirke holds his office till the date of this Annual General Meeting. Appropriate notice has been received from a member proposing appointment of Mr. Deepak Shirke as Director of the Company. In terms of Section 160 of the Act, the Company has received a notice in writing along with a deposit of ₹ 1,00,000/- from Mr. Deepak Shirke signifying his intention for the office of Director.

Save and except, Mr. Deepak Shirke and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

As stipulated under Secretarial Standard-2, brief profile of Mr. Deepak Shirke is provided below in Table A:

TABLE A- BRIEF PROFILE OF APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

Name of Director	Mr. Minesh Shah	Mr. Deepak Shirke
Age	42	36
Qualification	MBA (Marketing) from Clark University	Commerce Graduate
Experience	Mr. Shah has rich experience of twenty years in System Compliance and IT. He served as Vice president – It & System Compliance in Housing Development and infrastructure Limited; and Director & Chief Technical Officer in Webodrome Arise Technologies.	Mr. Shirke has a rich experience of more than Seventeen years in the Real Estate Industry.
Terms and condition for Re- appointment	To be re-appointed as Non-Executive Director, liable to retire by rotation and for same, Sitting fees shall be paid as per the Section 197 of the Act and Rules thereunder.	To be re-appointed as Non-Executive Director, liable to retire by rotation and for same, Sitting fees shall be paid as per the Section 197 of the Act and Rules thereunder.
Detail of Remuneration	Nil	Nil
Date of First Appointment on board	September 15, 2015	September 10, 2016
Shareholding in the Company	NIL	NIL

Name of Director	Mr. Minesh Shah	Mr. Deepak Shirke
Relationship with other director/Manager and other KMP	None	None
Number of meetings attended during the financial year 2016-17.	4 (Four)	3 (Three)
Directorships of other Board	- Webodrome Arise Technologies Private Limited - Webodrome Arise Software Services and Technologies Private Limited - Webodrome Arise Mobile Private Limited - Squid Technologies Private Limited - Mazda Estates Private Limited - Serveall Constructions Private Limited - Privilege Industries Limited - Privilege Distilleries Private Limited - Microgate Trading Company Private Limited - Broadway Pictures Private Limited - HDIL Securities Private Limited	- HDIL Commercial Properties Private Limited - Sunshine Communication Private Limited - Excel Arcade Private Limited - HDIL Securities Private Limited - Ravijyot Finance And Leasing Private Limited - HDIL Financial Services Private Limited - Suansa Hospitality Services Private Limited - Mazda Estates Private Limited - Teknopoint Trading Company Private Limited - Dreams The Mall Company Limited - Technocraft Media Private Limited - Privilege Distilleries and Breweries Private Limited - Privilege Breweries Private Limited - Microgate Trading Company Private Limited
Membership/Chairmanship of Committees of other Board	Privilege Industries Limited : Audit Committee – Member Nomination & Remuneration - Member	NIL

BY ORDER OF THE BOARD OF DIRECTORS

Director
(Venkatavarathan Iyengar)
DIN: 00418374

Place : Mumbai
Date : May 29, 2017

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 14th Annual Report of the Company together with the Audited Financial Statement for the Financial Year ("**F.Y.**") ended March 31, 2017.

BACKGROUND AND OPERATIONS :

Your Company is a subsidiary of Housing Development and Infrastructure Limited and the Company is engaged into real estate development.

FINANCIAL PERFORMANCE :

Your Company's performance during the F.Y. ended March 31, 2017, as compared to the previous F.Y. is summarised below:

(₹ in Lakhs)

Financial Results	For the year ended March 31, 2017	For the Year ended March 31, 2016
Total Revenue	-	-
Profit before Depriciation, Interest and Tax	10.65	(1.15)
Less : Depreciation	-	-
: Interest	11.39	-
Profit before Tax	**(0.74)**	**(1.15)**
Provision for Tax (including Deferred Tax)	-	(0.07)
Net Profit after Tax	**(0.74)**	**(1.22)**
Add: Surplus brought forward from previous year	(60.89)	(59.67)
Profit available for Appropriation	**(61.63)**	**(60.89)**
Appropriation:		
Transferred to General Reserve	-	-
Balance carried to Balance Sheet	(61.63)	(60.89)
TOTAL	**(61.63)**	**(60.89)**

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous year's figures have been restated to confirm to Ind AS.

COMPANY'S PERFORMANCE:

Your Company has incurred Loss of ₹ 0.74 lacs during the year as against Loss of ₹ 1.22 lacs in the previous year. The Directors are hopeful for a better performance in the upcoming years.

No material changes and commitments have occurred between the end of the F.Y. 2016-17 and the date of this report, which affect the financial position of the Company.

DIVIDEND:

In view of losses for the year, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL:

The paid-up equity share capital of the Company as at March 31, 2017 was ₹ 10.00 Lakhs (Rupees Ten Lakhs Only). During the F.Y. 2016-17, there was no change in the issued, subscribed and paid up share capital of the Company.

RESERVES:

In view of losses for the year, no amount has been transferred to reserves.

DEPOSITS :

The Company has not accepted deposit from the public, falling within the ambit of Section 73 to 76 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN :

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as **Annexure 'A'**.

BOARD OF DIRECTORS :

During the period under review, your Company in its Board Meeting held on September 10, 2016 appointed Mr. Deepak Shirke as Additional Director subject to regularization by the shareholders in the ensuing Annual General Meeting.

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. Minesh Shah, Director of the Company is liable to Retire by Rotation and offers himself for reappointment.

Further, Mr. Hazari lal and Ms. Sandhya Baliga (Independent Director) have resigned from the Board w.e.f September 10, 2016. The Board places on record their appreciation and gratitude for their guidance and contribution during their association with the Company.

BOARD MEETING :

The Board meets at regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 4 times during the F.Y. 2016-17; on **28/05/2016, 10/09/2016, 12/12/2016 & 14/02/2017.**

- **Attendance by the Directors in the Board Meeting**

The Board duly met 4 times during the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below :

Name of the Directors	Director Identification Number	Attendance		
		No of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Mr. Minesh Shah	00267842	4	4	Yes
Mr. Venkatavarathan Iyengar	00418374	4	4	Yes
Mr. Deepak Shirke *	07108915	4	3	Yes
Mr. Hazari Lal**	06696100	4	2	Yes
Ms. Sandhya Baliga **	07015987	4	2	Yes

** Mr. Deepak Shirke was appointed as Additional Director in the Board Meeting held on September 10, 2016.*

***Mr. Hazari lal and Ms. Sandhya Baliga resigned as Director in the Board Meeting held on September 10, 2016.*

DIRECTORS' RESPONSIBILITY STATEMENT :

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD :

Your Company had following committees of the Board during the FY 2016-17:

- Audit Committee
- Nomination and Remuneration Committee,

But with regards to non-applicability of Section 177 & 178 of the Companies Act 2013; the Company in its board meeting held on September 10, 2016 has dissolved the said Committee's and its Operation.

As on March 31, 2017, your Company doesn't constitute any Committee.

STATUTORY AUDITORS :

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current Statutory

Auditors, M/s. Thar & Co., Chartered Accountants (Firm Registration No. 110958W) on completion of maximum term permitted under the said section which is due at the ensuing Annual General Meeting.

Accordingly, the Board of Directors of the Company recommended the appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company. M/s. Rajeswari & Associates will hold office for a period of five consecutive years from the conclusion of the 14th Annual General Meeting of the Company, till the conclusion of 19th Annual General Meeting, subject to the approval of the Shareholder of the Company.

EXPLANATION ON AUDITORS' REPORT :

As regards the observation by the Auditor in the Auditors' Report regarding delay in payment of Statutory dues, the Company will take remedial measures to pay the same and ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers other than as stated above by Auditors in their Report dated May 29, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

MANAGERIAL REMUNERATION :

As the Company has not paid any remuneration to any Directors, the Company is not required to make disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL FINANCIAL CONTROL :

Your Company has in place adequate internal financial controls with reference to financial statements and that ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY :

Pursuant to Section 186 of the Act, particulars of the loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS :

During the F.Y. 2016-17, there were no related party transactions.

RISK MANAGEMENT :

Risk Management is an integral part of the Company's business strategy and taking that into consideration, your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board has in place a Risk Management policy to manage risk through a detailed policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y. 2016-17.

During the F.Y. 2016-17, the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION :

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

APPRECIATION :

Your Directors express their sincere thanks to the Bank, Business Associates and Government Authorities for their assistance and co-operation extended from time to time.

BY ORDER OF THE BOARD OF DIRECTORS

	Director	**Director**
Place : Mumbai	(Venkatavarathan Iyengar)	(Deepak Shirke)
Date : May 29, 2017	**DIN: 00418374**	**DIN:** 00267842

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2017

(PURSUANT TO SECTION 92 (3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANY (MANAGEMENT & ADMINISTRATION) RULES, 2014)

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	U74999MH2003PTC143045
2.	Registration Date	November 7, 2003
3.	Name of the Company	BKC Developers Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non- Government Company- Private Limited Company
5.	Address of the Registered office & contact details	5th Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051 Tel: +91 22 6788 9000; Fax: +91 22 6788 9090 e-mail id: darshan.majmudar@hdil.in
6.	Whether listed Company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10 % or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service (NIC 2008)	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of Company	Address of Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	98.50	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	98,500	98,500	98.50	-	98,500	98,500	98.50	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**98,500**	**98,500**	**98.50**	**-**	**98,500**	**98,500**	**98.50**	**-**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A)=(A(1)+(A)(2)	**-**	**98,500**	**98,500**	**98.50**	**-**	**98,500**	**98,500**	**98.50**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.:	-	-	-	-	-	-	-	-	-
i) Indian	-	1,500	1,500	1.50	-	1,500	1,500	1.50	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ` 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	**-**	**1,500**	**1,500**	**1.50**	**-**	**1,500**	**1,500**	**1.50**	**-**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**-**	**1,500**	**1,500**	**1.50**	**-**	**1,500**	**1,500**	**1.50**	**-**
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**1,00,000**	**1,00,000**	**100.00**	**-**	**1,00,000**	**1,00,000**	**100.00**	**-**

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	98,500	98.50	-	98,500	98.50	-	-
	Total	**98,500**	**98.50**	**-**	**98,500**	**98.50**	**-**	**-**

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

Sr. No.	Particulars	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
	At the beginning of the year:	No change in the Promoters' shareholding during the year.			
	Date wise increase/ decrease in Promoters Shareholding during the year specifying the reason for increase/ decrease:				
	At the end of the year:				

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
Sapphire Land Development Private Limited	1,500	1.50	-	-	1,500	1.50

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Venkatavarathan Iyengar	-	-	-	-
2	Mrs. Sandhya Baliga*	-	-	-	-
3	Mr. Hazari Lal*				
4	Mr. Minesh Shah	-	-	-	-
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Venkatavarathan Iyengar	-	-	-	-
2	Mr. Minesh Shah	-	-	-	-
3	Mr. Deepak Shirke**	-	-	-	-

* *Mrs. Sandhya Baliga and Mr. Hazari Lal ceased to be a Director w.e.f. September 10, 2016.*

** *Mr. Deepak Shirke was appointed as a Director w.e.f. September 10, 2016.*

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
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		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit- others, specify...		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1.	**Independent Directors**	**Mrs. Sandhya Baliga**	**Mr. Hazari Lal**	
	Fee for attending Board / Committee Meetings	0.10	0.10	**0.20**
	Commission	-	-	**-**
	Others, please specify	-	-	**-**
	Total (1)	0.10	0.10	**0.20**
2	**Other Non-Executive Directors**	**Mr. Venkatavarathan Iyengar**	**Mr. Minesh Shah**	
	Fee for attending Board / Committee Meetings	-	-	**-**
	Commission	-	-	**-**
	Others, please specify	-	-	**-**
	Total (2)	**-**	**-**	**-**
Total (B) = (1+2)				**0.20**
Ceiling as per the Act		Not Applicable as only sitting fees paid		

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: NIL

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
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				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit- others, specify...				
	Others, specify				
5.	Others, please specify				
	Total (A)				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Director
(Mr. Venkatavarathan Iyengar)
DIN: 00418374

Director
(Mr. Minesh Shah)
DIN: 00267842

Place: Mumbai
Date: May 29, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of **BKC Developers Private Limited**

Report on the Financial Statements

We have audited the accompanying Financial Statements of **BKC DEVELOPERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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.

Auditors' 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 of the financial statement 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. 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, 2017 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations which would impact its financial position;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Company. Refer Note No. 17 to the Ind AS financial statements.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

"ANNEXURE-A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31st March, 2017 of **BKC DEVELOPERS PRIVATE LIMITED**:

(i) The Company does not have any fixed assets and therefore the provisions of clause (i) of paragraph 3 of the Order are not applicable to the Company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of inventory records, no material discrepancy was discovered during the period.

(iii) The Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) The Company has not granted any Loans or Guarantees to directors or made any investments as mentioned in the Section 185 and Section 186 of the Act and hence the provisions of clause (iv) of Paragraph 3 of the Order are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and the rules framed there under to the extent notified.

(vi) As the aggregate value of turnover of the Company during the immediately preceding financial year did not exceed rupees thirty five crores, the provisions of Companies (cost records and audit) Rules, 2014 notified by the Central Government under Section 148 of the Act are not applicable to the Company for the current financial year.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed amount of statutory dues in respect of Provident Fund, Employee's State Insurance, Income-Tax, Sales Tax, Service-Tax, VAT, cess and other material applicable statutory dues have generally been regularly deposited with the appropriate authorities and as on 31st March, 2017, no such dues were outstanding for a period of more than six months from the date they became payable except for the following:-

Nature of dues (including interest)	₹ in Lakhs
Tax Deducted at Source	28.20
Service Tax	11.50

(b) In our opinion and according to the information and explanations given to us by the management there are no dues of Income tax, Sales tax, Service tax, Custom duty and Excise duty, VAT and Cess, which have not been deposited on account of any dispute.

(viii) The Company does not have any dues to Banks, Financial Institutions or Debenture Holders and accordingly the provisions of clause (viii) of the paragraph 3 of the Order, are not applicable to the Company.

(ix) The Company has not raised funds through initial public offer or further public offer (including debt instruments) and term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) The Company has not paid Managerial Remuneration during the year hence the provisions of clause (xi) of the Paragraph 3 of the Order are not applicable.

(xii) The Company is not a Nidhi Company as specified by the Act and hence the provisions under clause (xii) of the Paragraph 3 of the Order are not applicable.

(xiii) Based on the audit procedure performed and the representation from the management, no case of related party transactions occurred during the financial year and hence the provisions under Section 177 and 188 are not applicable for the Company.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **M/S BKC DEVELOPERS PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	01st April, 2015
ASSETS				
Non-Current Assets				
Deferred tax assets (net)	2	-	-	0.07
Other non-current assets	3	3,048.66	3,048.66	3,048.66
Current Assets				
Inventories	4	3,566.72	3,555.01	3,555.01
Financial Assets				
Cash and cash equivalents	5	1.13	1.47	1.53
Total Assets		**6,616.51**	**6,605.14**	**6,605.27**
EQUITY AND LIABILITIES				
(a) Equity Share capital	6	10.00	10.00	10.00
(b) Other Equity	7	(61.63)	(60.89)	(59.67)
Current Assets				
Other current liabilities	8	6,668.14	6,656.03	6,654.94
Total Equity and Liabilities		**6,616.51**	**6,605.14**	**6,605.27**
Accounting Policy	1			

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
(Director)

Minesh Shah
(Director)

Deepak M. Shirke
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	Revenue From Operations		-	-
II	Other Income		-	-
III	Total Income (I+II)		-	-
IV	**EXPENSES**			
	Cost of materials consumed	9	0.32	-
	Changes in inventories of work-in-progress	10	(11.71)	-
	Finance costs	11	11.39	-
	Other expenses	12	0.74	1.15
	Total expenses (IV)		**0.74**	**1.15**
V	(Loss) before exceptional items and tax (III- IV)		(0.74)	(1.15)
VI	Exceptional Items		-	-
VII	(Loss) before tax (V-VI)		(0.74)	(1.15)
VIII	Tax expense:		-	-
	(1) Current tax		-	-
	(2) Deferred tax		-	0.07
			-	0.07
IX	**Profit/(loss) for the year (VII-VIII)**		**(0.74)**	**(1.22)**
X	Other Comprehensive Income			
	A Items that will not be reclassified to profit or loss		-	-
	B Items that will be reclassified to profit or loss		-	-
			-	-
XI	**Total Comprehensive Income for the year (IX+X) (Comprising Profit / (Loss) and Other Comprehensive Income for the year)**		**(0.74)**	**(1.22)**
XII	Earnings per equity share:			
	(1) Basic		(0.74)	(1.22)
	(2) Diluted		(0.74)	(1.22)
	Accounting Policy	1		

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
(Director)

Minesh Shah
(Director)

Deepak M. Shirke
(Director)

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	10.00	10.00
Change in Equity Share capital during the year	-	-
Balance at the end of the year	**10.00**	**10.00**

B. Other Equity

	Reserves & Surplus Retained Earnings	Total
As at 1st April, 2015	(59.67)	(59.67)
Profit for the year	(1.22)	(1.22)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	**(1.22)**	**(1.22)**
Contributions by and distributions to owners	-	-
Balance as at 31st March, 2016	**(60.89)**	**(60.89)**
Profit for the year	(0.74)	(0.74)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	**(0.74)**	**(0.74)**
Contributions by and distributions to owners	**-**	**-**
Balance as at 31st March, 2017	**(61.63)**	**(61.63)**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
(Director)

Minesh Shah
(Director)

Deepak M. Shirke
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	31st March, 2017		31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		(0.74)		(1.15)
	Adjustments for :		-		-
	Operating profit before working capital changes		(0.74)		(1.15)
	Movements in working capital :				
	Decrease / (Increase) in work in progress	(11.71)		-	
	(Decrease) / Increase in trade payables and other current liabilities	12.11		1.10	
	Net movement in working capital		0.40		1.10
	Cash used in operations		(0.34)		(0.05)
	Less : Direct taxes paid (net of refunds)		-		-
	Net cash used in operating activities		**(0.34)**		**(0.05)**
B	**Cash flows from investing activities**		-		-
	Net cash used in investing activities		**-**		**-**
C	**Cash flows from financing activities**		-		-
	Net cash from financing activities		**-**		**-**
	Net increase in cash and cash equivalents (A + B +C)		**(0.34)**		**(0.05)**
	Cash and cash equivalents at the beginning of the year		1.47		1.52
	Cash and cash equivalents at the end of the year		**1.13**		**1.47**
	Components of cash and cash equivalents as at		**31st March, 2017**		**31st March, 2016**
	Cash on hand		0.04		0.36
	With banks - on current account		1.09		1.11
	Total		**1.13**		**1.47**

Notes :

1) Figures in the brackets indicate outflow.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
(Director)

Minesh Shah
(Director)

Deepak M. Shirke
(Director)

1. Corporate Information

BKC Developers Private Limited is engaged primarily in the business of real estate construction, development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at 5th floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai - 400 051.

1.1 Significant Accounting Policies:

a) Basis of preparation:

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 23.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- **Unit in real estate: -**

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted for the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company has both defined benefit and defined contribution schemes for its employees. For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building-or part of a building-or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

i) Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

ii) Based on an independent technical evaluation, the useful life of Mobile Phones has been estimated as 3 years, which is different from that prescribed in Schedule II of the Act.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the year they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are

recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

- **Equity investments**

  The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares to the public.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

NOTES ON THE FINANCIAL STATEMENTS

(₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
2	**Deferred tax liabilities (Net)**			
	Assets	-	-	0.07
	Preliminary expenses written off	**-**	**-**	**0.07**
3	**Other non-current assets**			
	Other advances			
	Income tax refund receivable	134.34	134.34	134.34
	Other loans and advances	2,914.32	2,914.32	2,914.32
		3,048.66	**3,048.66**	**3,048.66**
4	**Inventories:**			
	Work-in-progress	3,566.72	3,555.01	3,555.01
	Total	**3,566.72**	**3,555.01**	**3,555.01**
5	**CASH AND CASH EQUIVALENTS**			
	(i) Balances with Banks (of the nature of cash and cash equivalents);			
	Current accounts	1.09	1.11	1.13
	(ii) Cash on hand	0.04	0.36	0.40
	Total	**1.13**	**1.47**	**1.53**
6	**Equity Share Capital**			
	Authorised			
	100,000 (previous year 100,000) Equity Share of ₹ 10/- each	10.00	10.00	10.00
	Issued, Subscribed and Paid up			
	1,00,000 (Previous year 1,00,000) Equity shares of ₹ 10/- each fully paid	10.00	10.00	10.00
	Total	**10.00**	**10.00**	**10.00**
	Reconciliation of the number of shares outstanding :			
	Equity Shares	**Number**	**Number**	**Number**
	Shares outstanding at the beginning of the year	100,000	100,000	100,000
	Shares Issued during the year	-	-	-
	Shares outstanding at the end of the year	**100,000**	**100,000**	**100,000**

Terms / rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

Shares in the Company held by each shareholder holding more than 5 percent :

Housing Development and Infrastructure Limited - Holding Company	Number	98,500	98,500	98,500
	%	98.50%	98.50%	98.50%

(₹ in Lacs)

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2015
7	**Other Equity**			
	Retained Earnings	(61.63)	(60.89)	(59.67)
		(61.63)	**(60.89)**	**(59.67)**

(₹ in Lacs)

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
8	**Other current liabilities**			
	(i) Revenue received in advance	3.04	3.04	3.04
	(ii) Others			
	Statutory dues	39.72	28.31	28.20
	Others	6,625.38	6,624.68	6,623.70
		6,668.14	**6,656.03**	**6,654.94**

(₹ in Lacs)

Particulars		Year ended 31st March, 2017	Year ended 31st March, 2016
9	**Cost of materials consumed**		
	Cost of material consumed	**0.32**	-
		0.32	**-**
10	**Changes in inventories of work-in-progress**		
	Opening work-in-progress	3,555.01	3,555.01
	Closing work-in-progress	3,566.72	3,555.01
		(11.71)	**-**
11	**Finance costs**		
	Interest	11.39	-
		11.39	**-**
12	**Other expenses**		
	Bank Charges	0.02	0.02
	Other expenses	0.05	0.01
	Professional fees	0.08	0.09
	Profession tax	0.02	0.03
	Remuneration to auditors	0.29	0.29
	Directors remuneration, commission and sitting fees	0.23	0.68
	Filing fees paid to the Registrar of Companies	0.05	0.03
	Total	**0.74**	**1.15**
13	**Earnings Per Equity Share Has Been Computed As Under:**		
	(i) Net profit / (loss) after tax as per Statement of Profit and Loss	(0.74)	(1.22)
	(ii) Number of fully paid equity shares used in computing earnings per equity share		
	Basic Nos.	100,000	100,000
	Diluted Nos.	100,000	100,000
	(iii) Basic Earnings per share	(0.74)	(1.22)
	(iv) Diluted Earnings per share	(0.74)	(1.22)
	(v) Nominal value per equity share is ₹ 10/- fully paid		
14	**Contingent Liabilities not provided for**	Nil	Nil
15	**Capital Commitment**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

16. RELATED PARTY DISCLOSURE

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Holding Company

Housing Development and Infrastructure Limited

Enterprise significantly influenced by key management personnel

Not applicable

Key management personnel

Not applicable

B. Transactions with related parties

(₹ in Lacs)

Nature of transaction	31st March, 2017			31st March, 2016		
	Holding Company	Key Management Personnel	Total	Holding Company	Key Management Personnel	Total
	-	-	-	-	-	-

17. FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

31st March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Cash and cash equivalents	0.04	0.04
Bank balances	1.09	1.09
31st March, 2016	**Carrying amounts**	
	Amortised cost	**Total**
Financial Assets		
Current		
Cash and cash equivalents	0.36	0.36
Bank balances	1.11	1.11
01st April, 2015	**Carrying amounts**	
	Amortised cost	**Total**
Financial Assets		
Current		
Cash and cash equivalents	0.40	0.40
Bank balances	1.13	1.13

Carrying amount of Cash and Cash Equivalent, Bank balances as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature.

B) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

18. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

(₹ in Lacs)

Particulars	SBN	Other Denomination notes	Total
Closing Cash in hand as on 8th November, 2016	-	0.04	0.04
Add : Permitted Receipts	-	-	-
Less : Permitted Payments	-	-	-
Less : Amount deposited in Banks	-	-	-
Closing Cash in hand as on 30th December, 2016	-	0.04	0.04

19. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

20. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

21. Authorisation of Financial Statements

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017.

22. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

23. First-time adoption of Ind-AS

The transition as at 1st April, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVTOCI
- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind As. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

B) Reconciliation between previous GAAP and Ind AS

The exercise of transition of the balances under previous GAAP to Ind AS was carried out by the Company as on 1 April 2015 in accordance with Indian Accounting Standards and after considering the principles of the said standard, there have been no change in the balances of other equity, components of Balance Sheet and Profit and Loss account as on 1 April 2015 consequently as on 31 March 2016.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
(Director)

Minesh Shah
(Director)

Deepak M. Shirke
(Director)

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	3rd March, 2017	31st March, 2016	1st April, 2015
ASSETS				
Non-current assets				
Financial Assets				
Investments	2	0.01	0.01	0.01
Deferred tax assets (net)	3	-	-	0.05
Current assets				
Inventories	4	8,231.12	7,380.76	6,176.58
Financial Assets				
(i) Cash and cash equivalents	5	11.99	3.47	2.97
(ii) Others	6	92.98	82.74	72.75
Total Assets		**8,336.10**	**7,466.98**	**6,252.36**
EQUITY AND LIABILITIES				
(a) Equity Share capital		195.40	195.40	195.40
(b) Other Equity		278.54	279.37	280.12
LIABILITIES				
Current liabilities				
Financial Liabilities				
(ii) Trade payables	9	1.04	1.04	1.04
Other current liabilities	10	7,861.12	6,991.17	5,775.80
Total Equity and Liabilities		**8,336.10**	**7,466.98**	**6,252.36**
Accounting Policies	1			

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	3rd March, 2017	31st March, 2016
I	**Revenue From Operations**		-	-
II	Other Income	11	-	-
III	**Total Income (I+II)**		**-**	**-**
IV	**Expenses:**			
	Cost of materials consumed	12	827.94	1,204.18
	Changes in inventories of work-in-progress	13	(850.36)	(1,204.18)
	Other expenses	14	23.25	0.70
	Total expenses (IV)		**0.83**	**0.70**
V	(Loss) before exceptional items and tax (III- IV)		(0.83)	(0.70)
VI	Exceptional Items		-	-
VII	(Loss) before tax (V-VI)		(0.83)	(0.70)
VIII	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		-	0.05
			-	0.05
IX	**(Loss) for the period (VII+VIII)**		(0.83)	(0.75)
X	**Other Comprehensive Income**		-	-
XI	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/ (Loss) and Other Comprehensive Income for the period)**		**(0.83)**	**(0.75)**
XII	Earnings per equity share (for continuing operation):			
	(1) Basic		(0.04)	(0.04)
	(2) Diluted		(0.04)	(0.04)
	Accounting Policies	1		

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	3rd March, 2017		31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		(0.83)		(0.70)
	Adjustments for :		-		-
	Operating profit before working capital changes		(0.83)		(0.70)
	Movements in working capital :				
	Decrease / (Increase) in inventory	(850.36)		(1,204.18)	
	Decrease / (Increase) in other receivables	(10.24)		(9.99)	
	(Decrease) / Increase in trade and other current liabilities	869.95		1,215.37	
	Net movement in working capital		9.35		1.20
	Cash generated from operations		8.52		0.50
	Less : Direct taxes paid (net of refunds)		-		-
	Net cash from operating activities		8.52		0.50
B	**Cash flows from investing activities**				
	Investment income		-		-
	Net cash from investing activities		-		-
C	**Cash flows from financing activities**				
	Repayment of borrowings		-		-
	Net cash used in financing activities		-		-
	Net increase in cash and cash equivalents (A + B + C)		8.52		0.50
	Cash and cash equivalents at the beginning of the year		3.47		2.97
	Cash and cash equivalents at the end of the year		**11.99**		**3.47**
	Components of cash and cash equivalents as at		**3rd-Mar-2017**		**31-Mar-2016**
	Cash on hand		0.03		2.96
	With banks - On Current account		11.96		0.51
			11.99		**3.47**

Notes:

Figures in the brackets indicate outflow.

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lacs)

Particulars	3rd March, 2017	31st March, 2016
Balance at the beginning of the period	195.40	195.40
Change in Equity Share capital during the period	-	-
Balance at the end of the period	**195.40**	**195.40**

B. Other Equity

Particulars	Reserves & Surplus		Total
	Securities Premium Account	Retained Earnings	
As at 1st April , 2015	281.66	(1.54)	280.12
Profit for the year	-	(0.75)	(0.75)
Other Comprehensive Income for the year	-	-	-
Total Comprehensive income for the year	**-**	**(0.75)**	**(0.75)**
Contributions by and distributions to owners		-	-
Balance as at 31st March, 2016	281.66	(2.29)	279.37
Profit for the period		(0.83)	(0.83)
Other Comprehensive Income for the period		-	-
Total Comprehensive income for the period	-	(0.83)	(0.83)
Contributions by and distributions to owners		-	-
Balance as at 3rd March, 2017	**281.66**	**(3.12)**	**278.54**

1 CORPORATE INFORMATION

Excel Arcade Private Limited is engaged primarily in the business of real estate construction, development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at 3rd Floor, HDIL Townes, Anant Kanekar Marg, Bandra (East), Mumbai - 400 51.

1.1 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation:

i) Statement of compliance with Ind AS:

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 3rd March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 24. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention:

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition:

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- **Unit in real estate: -**

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

ii) Dividends: -

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

iii) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company has both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost

including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the period in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

i) Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

ii) Based on an independent technical evaluation, the useful life of Mobile Phones has been estimated as 3 years, which is different from that prescribed in Schedule II of the Act.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

- **Equity investments**

  The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of

expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

  In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available.

The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that

arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares to the public.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

(₹ in Lacs)

	Particulars	As at 3rd March, 2017	As at 31st March, 2016	As at 01st April, 2015
2.	**INVESTMENTS (NON CURRENT)**			
	Investments in Equity Instruments			
	Punjab and Maharashtra Co - Operative Bank Limited	0.01	0.01	0.01
	40 (Previous year 40) Equity shares of ₹ 25/- each fully paid			
	Total	**0.01**	**0.01**	**0.01**
3.	**DEFERRED TAX ASSETS**			
	Preliminary expenses written off	-	-	0.05
		-	**-**	**0.05**
4.	**INVENTORIES:**			
	Work-in-progress	8,231.12	7,380.76	6,176.58
		8,231.12	**7,380.76**	**6,176.58**

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in Lacs)

	Particulars	As at 3rd March, 2017	As at 31st March, 2016	As at 01st April, 2015
5.	**Cash and cash equivalents**			
	(i) Balances with Banks (of the nature of cash and cash equivalents);			
	Current accounts	11.96	0.51	-
	(ii) Cash on hand	0.03	2.96	2.97
		11.99	**3.47**	**2.97**
6.	**Others**			
	(i) Security Deposits	82.30	68.50	49.50
	(ii) Other advances			
	Advances for land purchase /tenancy / claims / development rights	10.68	14.24	23.25
		92.98	**82.74**	**72.75**
7.	**Equity Share Capital**			
	Authorised			
	30,00,000 (Previous year 30,00,000) Equity shares of ₹ 10/- each	**300.00**	**300.00**	**300.00**
	Issued, Subscribed and Paid up			
	19,54,000 (Previous year 19,54,000) Equity shares of ₹ 10/- each fully paid up	195.40	195.40	195.40
	TOTAL	**195.40**	**195.40**	**195.40**

Terms / rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

i) Reconciliation of the number of shares outstanding :

Particulars	Number	Number	Number
Equity Shares			
Shares outstanding at the beginning of the period	1,954,000	1,954,000	50,000
Shares Issued during the period	-	-	1,904,000
Shares bought back during the period	-	-	-
Shares outstanding at the end of the period	**1,954,000**	**1,954,000**	**1,954,000**

ii) Shares in the Company held by each shareholder holding more than 5 percent :

Particulars	No. % held	No. % held	No. % held
Housing Development and Infrastructure Limited - Holding Company	19,54,000 100%	19,54,000 100%	19,54,000 100%

	Particulars	3rd March, 2017	31st March, 2016	01st April, 2015
8.	**OTHER EQUITY**			
	Securities Premium Account	281.66	281.66	281.66
	Retained Earnings	(3.12)	(2.29)	(1.54)
		278.54	**279.37**	**280.12**

(₹ in lacs)

	Particulars	As at 3rd March, 2017	As at 31st March, 2016	As at 01st April, 2015
9.	**TRADE PAYABLES (CURRENT)**			
	Micro, Small and Medium Enterprises	-	-	-
	Others	1.04	1.04	1.04
		1.04	**1.04**	**1.04**

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in lacs)

	Particulars	As at 3rd March, 2017	As at 31st March, 2016	As at 01st April, 2015
10.	**OTHER CURRENT LIABILITIES**			
	(i) Revenue received in advance	311.69	311.69	297.49
	(ii) Others			
	Statutory dues	1.98	-	-
	Others	7,547.45	6,679.48	5,478.31
		7,861.12	**6,991.17**	**5,775.80**

(₹ in lacs)

	Particulars	Period ended 3rd March, 2017	Year ended 31st March, 2016
11.	**OTHER INCOME**		
	Interest received		
	Dividend received (From Co-operative Bank)	-	-
		-	**-**
12.	**COST OF MATERIALS CONSUMED**		
	Tenancy / claims / FSI / development rights/Land	303.41	554.59
	Cost of material consumed	524.53	649.59
		827.94	**1,204.18**
13.	**CHANGES IN INVENTORIES OF WORK-IN-PROGRESS**		
	Opening work-in-progress	7,380.76	6,176.58
	Closing work-in-progress	8,231.13	7,380.76
		(850.00)	**(1,204.00)**

NOTES FORMING PART OF FINANCIAL STATEMENTS

(₹ in lacs)

	Particulars	Period ended 3rd March, 2017	Year ended 31st March, 2016
14.	**OTHER EXPENSES**		
	Bank Charges	0.35	0.18
	Professional fees	22.50	0.09
	Profession tax	0.03	0.03
	Payment to auditors		
	Audit fees	0.29	0.29
	Filing fees paid to the Registrar of Companies	0.08	0.12
	Total	**23.25**	**0.71**
	Above expenses includes Project related expenses	**22.43**	**-**
15.	**Earnings Per Equity Share Has Been Computed As Under:**		
	(i) Net profit /(loss) after tax as per Statement of Profit and Loss	(0.83)	(0.75)
	(ii) Number of fully paid equity shares used in computing earnings per equity share		
	Basic	1,954,000	1,954,000
	Diluted	1,954,000	1,954,000
	(iii) Basic Earnings per share	(0.04)	(0.04)
	(iv) Diluted Earnings per share	(0.04)	(0.04)
	(v) Nominal value per equity share is ₹ 10/- each fully paid		
16.	**Contingent Liabilities Not Provided For**	Nil	Nil
17.	**Capital Commitment**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

18. Related party disclosure:

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Holding Company

Housing Development and Infrastructure Limited

Enterprise significantly influenced by key management personnel

Not applicable

Key management personnel

Not applicable

B. Transactions with related party

Nil

19. Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under:

(₹ in Lacs)

3rd March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non Current		
Investments		
Investment in Equity instruments	0.01	0.01
Current		
Cash and cash equivalents	11.99	11.99
Others	92.98	92.98
Financial Liabilities		
Current		
Trade payables	1.04	1.04

31st March, 2016	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non Current		
Investments		
Investment in Equity instruments	0.01	0.01
Current		
Cash and cash equivalents	3.47	3.47
Others	82.74	82.74
Financial Liabilities		
Current		
Trade payables	1.04	1.04

1st April, 2015	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non Current		
Investments		
Investment in Equity instruments	0.01	0.01
Current		
Cash and cash equivalents	2.97	2.97
Others	72.75	72.75
Financial Liabilities		
Current		
Trade payables	1.04	1.04

Carrying amount of Investment, Cash and Cash Equivalent, Other financial Assets and Trade payables as at 3rd March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of other financial assets subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Investment in Equity Shares**

  The Company has investments in Equity shares. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

  The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 3rd March, 2017

(₹ in Lacs)

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	1.04	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	1.04	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	1.04	-	-

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

20. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

(₹ in Lacs)

Particulars	SBN	Other denomination notes	Total
Closing cash in hand as on 8th November 2016	-	29.58	29.58
(+) Permitted receipts	-	20.00	20.00
(-) Permitted Payments	-	(35.00)	(35.00)
(-) Amount Deposited in Banks	-	-	-
(+) Amount withdrawn from Banks	-	-	-
Closing cash in hand as on 30th December 2016	-	14.58	14.58

21. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

22. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

23. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

24. First-time adoption of Ind-AS

The transition as at April 1, 2015 to Ind AS was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards.

NOTICE

To,
The Members
GURUASHISH CONSTRUCTION PRIVATE LIMITED
Mumbai

NOTICE is hereby given that the 17th Annual General Meeting of the Members of the Company will be held on July 24, 2017, Monday at 11:00 A.M.(IST) at 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051 to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of Financial Statements:

To consider and adopt the financial statements of the Company for the year ended March 31, 2017, together with the Report of the Board of Directors and the Auditors thereon.

Item No. 2: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Satyajeet Yashwant Hire (DIN: 07108938), who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Item No. 3: Appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors in place of Retiring Statutory Auditor:

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

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) be and is hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of 22nd Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and applicable taxes as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

By order of the Board of Directors

Director
Rakesh Kumar Wadhawan
DIN: 00028573

Place: Mumbai
Date : May 29, 2017

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY, AS APPLICABLE.**

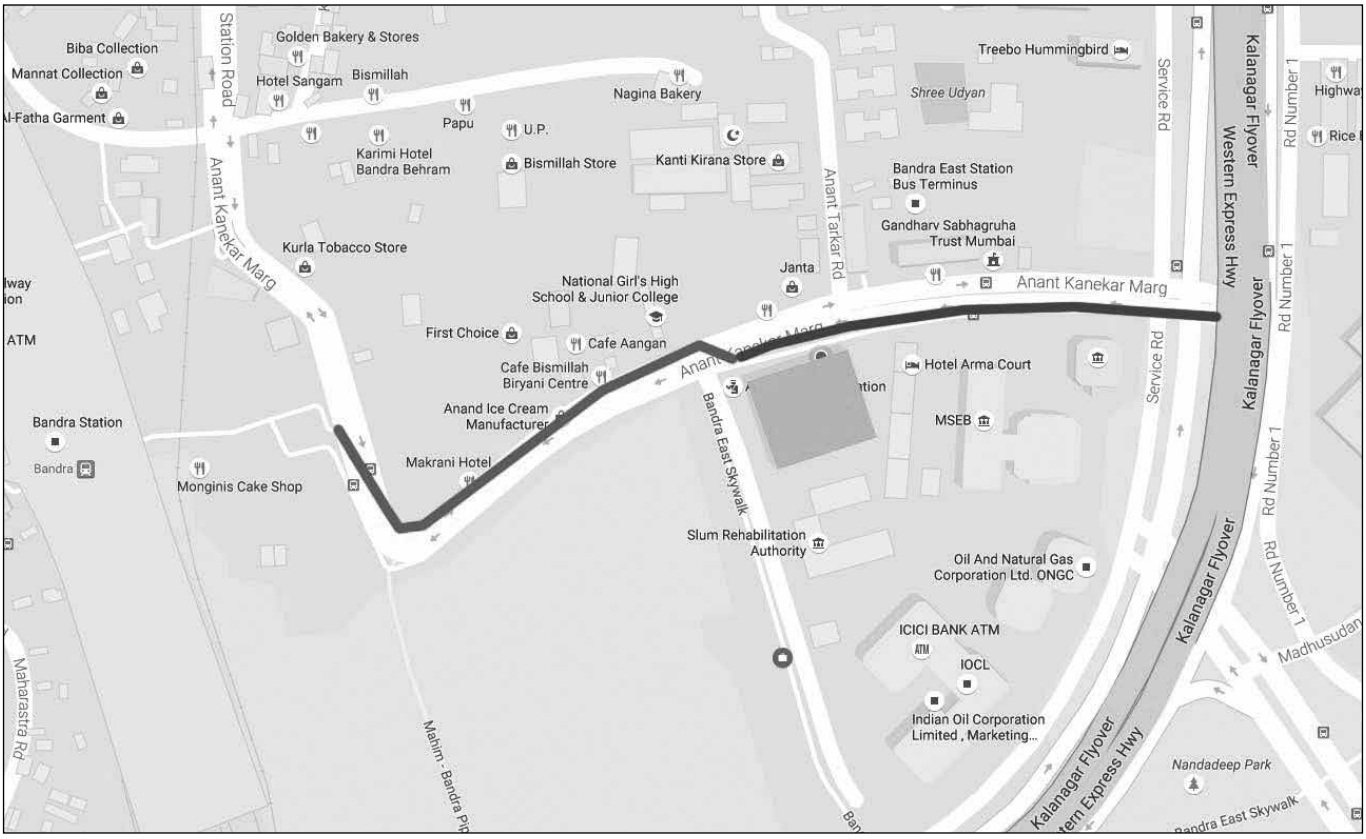
   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 **("the Act")**, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

(Venue: 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051)



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

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013, sets out all material facts relating to Item No. 2 mentioned in the accompanying Notice for convening the 17th Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mr. Satyajeet Yashwant Hire, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A and B respectively:

TABLE A- BRIEF PROFILE OF APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

Name of Director	**Mr. Satyajeet Yashwant Hire**
Age	37 Years
Qualification	B.Com Graduate
Experience	Mr. Hire has a rich experience of more than Eleven years in the Real Estate Industry.
Terms and condition for Re- appointment	Non-Executive Director
Detail of Remuneration	Nil
Date of First Appointment on board	10/06/2015
Shareholding in the Company	NIL
Relationship with other director/Manager and other KMP	None
Number of meetings attended during the financial year 2016-17.	9 (Nine)
Directorships of other Board	- Privilege Hi-Tech Infrastructure Limited - Technocraft Media Private Limited - HDIL Commercial Properties Private Limited - Sunshine Communication Private Limited - HDIL Financial Services Private Limited - Teknopoint Trading Company Private Limited - Kreative Hosts Atria Private Limited - Ravijyot Finance and Leasing Private Limited
Membership/Chairmanship of Committees of other Board	NIL

Save and except Mr. Satyajeet Yashwant Hire and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

By order of the Board of Directors

Director
Rakesh Kumar Wadhawan
DIN: 00028573

Place: Mumbai
Date : May 29, 2017

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 17th Annual Report of the Company together with the Audited Financial Statement for the Financial Year (**"F.Y."**) ended March 31, 2017.

BACKGROUND AND OPERATIONS

Your Company is a wholly owned subsidiary of Housing Development and Infrastructure Limited and the Company is engaged into real estate development.

PROJECT:

Your Company has launched "The Meadows" Project located at Goregaon (West), Mumbai. The project is admeasuring approximately 1,75,315 sq. mtrs. construction area. The project is proposed to be well equipped with all the amenities to facilitate the needs of the residents.

FINANCIAL PERFORMANCE

Your Company's performance during the F.Y. ended March 31, 2017, as compared to the previous F.Y. is summarised below:

(₹ In Lacs)

Particulars	2017	2016
Gross sales and other receipts	-	12.25
Profit before finance cost, depreciation, amortisation and taxation	(2071.67)	2,325.88
Finance Cost	2,045.35	2,319.39
Depreciation and Amortization	0.23	0.43
Operational profit before tax	(2.61)	6.06
Less: Tax Expenses	(0.03)	(0.09)
Profit for the year	(2.57)	6.15
Balance brought forward	14.28	8.13
Add: Other adjustments	-	-
Profit available for appropriation	(2.57)	14.28
Closing Balance	11.70	14.28
Net Worth	**57,551.20**	**57,553.78**

COMPANY PERFORMANCE:

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous year's figures have been restated and audited by the Statutory Auditors of the Company, namely, M/s. Rajeswari & Associates, Chartered Accountants (Firm Registration No. 123005W).

STATE OF COMPANY'S AFFAIRS AND PERFORMANCE REVIEW:

Your Company has earned No revenue during the year as against ₹ 12.25 lacs in the previous year and the Company has made loss of ₹ 2.57 lacs during the year as against profit of ₹ 6.15 lacs in the previous year. The Directors are hopeful for a better performance in the upcoming years.

DIVIDEND:

In view of losses for the year, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL:

The paid–up equity share capital of the Company on March 31, 2017, was ₹ 1,700 lacs. During the F.Y. 2016-17, there has been no change in the issued, subscribed and paid up share capital of the Company.

RESERVES:

In view of losses for the year, no amount has been transferred to reserves.

FIXED DEPOSITS:

Your Company did not hold any public deposits at the beginning of the year, nor it has accepted any deposits from the public during the F.Y. 2016-17, within the meaning of Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as **Annexure 'A'**.

PARTICULARS OF EMPLOYEES:

Your Directors place on record their appreciation for the contribution made by the employees of the Company. Relations between employees and the Management continued to be cordial during the year.

REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company is committed to provide and promote a safe and healthy work environment for all its employees.

Your Company has adopted a 'Prevention of Sexual Harassment' ("POSH") policy that is in line with the provisions of the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Rules framed thereunder for prevention and redressal of complaints pertaining to sexual harassment at workplace and a structured reporting and redressal mechanism is in place.

During F.Y. 2016-17, your Company has not received any compliant on sexual harassment.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- **Composition of the Board**

  The Board is constituted as per the Companies Act, 2013. The Company's Board consist of non-executive directors and Independent Director. Independent Director are expected to play critical role in imparting balance to the Board processes by bringing an independent approach on matters in strategies, performance, resources, standard if company conducts, etc.

  The Board present comprise of the following directors:-

Mr. Rakesh Kumar Wadhawan	:	Director
Mr. Sarang Wadhawan	:	Director
Mr. Satyajeet Yashwant Hire	:	Director
Mr. Hazari Lal	:	Independent Director
Ms. Sandhya Baliga	:	Independent Director

  In accordance with the provisions of Section 152 of the Act, Mr. Satyajeet Yashwant Hire, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

- **Board Meeting**

  The Board meets at regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 9 times during the financial year 2016-17; on **04/05/2016, 27/05/2016, 22/07/2016, 10/09/2016, 24/09/2016, 28/11/2016, 12/12/2016, 14/02/2017 & 30/03/2017**.

- **Attendance by the Directors in the Board Meeting**

  The Board duly met 9 times during the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below :

Name of the Directors	Director Identification Number	Attendance		
		No of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Mr. Rakesh Kumar Wadhawan	00028573	9	9	Yes
Mr. Sarang Wadhawan	00028608	9	9	Yes
Mr. Satyajeet Hire	07108938	9	9	Yes
Mr. Hazari Lal	06696100	9	5	Yes
Ms. Sandhya Baliga	07015987	9	5	Yes

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD

Your Company has following committees of the Board, which are in place in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee (**"CSR Committee"**)

AUDIT COMMITTEE:

The Audit Committee comprises of the following Directors:

1. Mrs. Sandhya Baliga - Chairperson
2. Mr. Sarang Wadhawan - Member
3. Mr. Hazari Lal - Member

During the F.Y.2016-17, the Audit Committee met four (4) times viz. on May 27, 2016; September 10, 2016; December 12, 2016, and February 14, 2017.

All the recommendations made by the Audit Committee were accepted by the Board.

Attendance of the Members of Audit Committee:

Name of Member	Number of Audit Committee Meetings	
	Held	Attended
Mrs. Sandhya Baliga	4	4
Mr. Sarang Wadhawan	4	4
Mr. Hazari Lal	4	4

NOMINATION AND REMUNERATION COMMITTEE:

Your Company has Nomination & Remuneration Committee comprising of following Directors:

1. Mrs. Sandhya Baliga - Chairperson
2. Mr. Sarang Wadhawan - Member
3. Mr. Hazari Lal - Member

During the F.Y., No Nomination & Remuneration Committee was held as there was no necessity to hold a meeting.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Your Company has in place a CSR Committee, which is in compliance to the provisions of Section 135 of the Act, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, which comprises of the below mentioned tabled directors. During the FY, the CSR Committee met once viz, February 14, 2017.

The CSR Committee comprises of Members (Directors of the Board) and attendance by the members in the said Committee meeting are following:

Name of the Directors	Designation	Attendance	
		No. of Committee Meetings held during FY	Number of Meetings attended
Mr. Sarang Wadhawan	Chairman	1	1
Mr. Rakesh Kumar Wadhawan	Member	1	1
Mrs. Sandhya Baliga	Member	1	1

NOMINATION AND REMUNERATION POLICY :

The Company has in place a policy which lays down criteria for selection and appointment of Board Members. The policy also lays down a framework in relation to remuneration of Directors, KMP and Senior Management of the Company. The Policy also includes the criteria for determining qualifications, positive attributes and independence of Directors. The detailed policy is annexed as **Annexure 'B'**.

VIGIL MECHANISM POLICY :

Your Company has a Vigil Mechanism for their Directors and employees to report their genuine concerns or grievances and also a formal Whistle Blower Policy to report genuine concerns or grievance is in place.

Your Company assures cognizance of complaints made and suggestions given by the employees. Even anonymous complaints will be looked into and whenever necessary, suitable corrective steps will be taken.

STATUTORY AUDITORS :

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current Statutory Auditors, M/s. Thar & Co., Chartered Accountants (Firm Registration No. 110958W) on completion of maximum term permitted under the said section which is due at the ensuing Annual General Meeting; scheduled to be held on 2017.

Accordingly, the Board of Directors of the Company in its meeting held on May 29, 2017 recommended the appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company. M/s. Rajeswari & Associates will hold office for a period of five consecutive years from the conclusion of the this Annual General Meeting of the Company scheduled to be held on 2017, till the conclusion of 22nd Annual General Meeting to be held in the year 2022, subject to the approval of the Shareholder of the Company.

EXPLANATION ON AUDITORS' REPORT:

As regards the observation by the Auditor in the Auditor's Report regarding delay in payment of Statutory dues and default in repayment of dues to Bank, the Company will take remedial measures to ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers made by Statutory Auditors in their Report dated May 29, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial controls with reference to financial statements and to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Pursuant to Section 186 of the Act, particulars of the loans given, investment made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties during the F.Y.2016-17 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Act, are not attracted and hence the disclosure in Form AOC-2 is not required.

Suitable disclosures as required under Ind AS-24 have been made in Note 27 of the Notes to the financial statements.

RISK MANAGEMENT:

Risk Management is an integral part of the Company's business strategy and taking that into consideration, your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board of Directors has in place a Risk Management Policy, to manage risk through a detailed Policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y.

During the F.Y., the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

APPRECIATION:

Your Directors place on record their gratitude to the shareholders, government, regulators, Business Associates and other statutory bodies for their continuing support. The Directors also place on record sincere appreciation of the employees for their dedicated and unstinted efforts.

For and on behalf of the Board of Directors

	Director	**Director**
Place : Mumbai	**Rakesh Kumar Wadhawan**	**Sarang Wadhawan**
Date : May 29, 2017	**DIN: 00028573**	**DIN: 00028608**

ANNEXURE 'A'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	U45200MH2000PTC126895
2.	Registration Date	June 1, 2000
3.	Name of the Company	Guruashish Construction Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares, Indian Non-Government Company
5.	Address of the Registered office and contact details	Ground Floor, Siddharth Nagar No.1, Opp. Siddharth Nagar Post Office, Goregaon (West), Mumbai – 400 104 Tel: +91 22 6788 9000; Fax: +91 22 6788 9090 e-mail id: darshan.majmudar@hdil.in
6.	Whether listed company	No
7.	Name, Address and contact details of the Registrar and Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	100.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	17,00,000	17,00,000	100.00	-	17,00,000	17,00,000	100.00	
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**17,00,000**	**17,00,000**	**100.00**	**-**	**17,00,000**	**17,00,000**	**100.00**	**-**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**17,00,000**	**17,00,000**	**100.00**	**-**	**17,00,000**	**17,00,000**	**100.00**	**-**

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. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.:	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**17,00,000**	**17,00,000**	**100.00**	**-**	**17,00,000**	**17,00,000**	**100.00**	**-**

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	1700000	100.00	-	1700000	100.00	-	-
	Total	**1700000**	**100.00**	**-**	**1700000**	**100.00**	**-**	**-**

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

Sr. No.	Particulars	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
	At the beginning of the year	N.A			
	Date wise increase / (decrease) in Promoters Shareholding during the year specifying the reason for increase/ (decrease):				
	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
-	-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Rakesh Kumar Wadhawan	-	-	-	-
2	Mr. Sarang Wadhawan	-	-	-	-
3	Mrs. Sandhya Baliga	-	-	-	-
4	Mr. Hazari Lal	-	-	-	-
5	Mr. Satyajeet Hire	-	-	-	-
6	Mr. Rinkesh R. Gala	-	-	-	-
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Rakesh Kumar Wadhawan	-	-	-	-
2	Mr. Sarang Wadhawan	-	-	-	-
3	Mrs. Sandhya Baliga	-	-	-	-
4	Mr. Hazari Lal	-	-	-	-
5	Mr. Satyajeet Hire	-	-	-	-
6	Mr. Rinkesh R. Gala	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,4004.40	-	-	1,4004.40
ii) Interest due but not paid	5491.19	-	-	5491.19
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**19495.59**	**-**	**-**	**19495.59**
Change in Indebtedness during the financial year				
• Addition	2027.37	-	-	2027.37
• Reduction	-	-	-	-
Net Change	**2027.37**	**-**	**-**	**2027.37**
Indebtedness at the end of the financial year				
i) Principal Amount	14004.41	-	-	14004.41
ii) Interest due but not paid	7518.56	-	-	7518.56
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**21522.97**	**-**	**-**	**21522.97**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	**Independent Directors**	**Mrs. Sandhya Baliga**	**Mr. Hazari Lal**		
	Fee for attending Board / Committee Meetings	0.40	0.60		1.00
	Commission	-	-		-
	Others, please specify	-	-		-
	Total (1)	**0.40**	**0.60**		**1.00**
2	**Other Non-Executive Directors**	**Mr. Rakesh Kumar Wadhawan**	**Mr. Sarang Wadhawan**	**Mr. Satyajeet Hire**	**-**
	Fee for attending Board / Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**
	Total (B) = (1+2)				**1.00**
	Total Managerial Remuneration = (A+B)				**NIL**
	Overall Ceiling as per the Act	Not Applicable as only sitting fees paid			

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Mr. Rinkesh R. Gala (Company Secretary)	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.87	4.87
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	Others, specify	-	-
5	Others, please specify	-	-
	Total	**4.87**	**4.87**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
Director
DIN: 00028573

Sarang Wadhawan
Director
DIN: 00028608

Place: Mumbai
Date : May 29, 2017

ANNEXURE 'B'

NOMINATION AND REMUNERATION POLICY

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 and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company.

The policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company has been formulated and approved by the Board of Directors at its Meeting held on March 14, 2015.

OBJECT AND PURPOSE

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees. The policy is framed with the objective(s):

- that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- that the remuneration to Directors, Key Managerial Personnel, and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration;
- to determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
- to carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage and
- to lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

APPLICABILITY AND GOVERNING LAW

This policy is applicable to all Directors viz. Executive, Non-Executive and Independent Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

This policy shall be governed by the Act read with Rules made thereunder, as may be in force for the time being and such other Rules / Regulations, as may be notified by MCA from time to time. Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

DEFINITIONS

In this policy unless the context otherwise requires:

"**Act**" shall mean the Companies Act, 2013 and the Rules and Regulations notified thereunder.

"**Board of Directors**" or "**Board**" in relation to the Company means the collective body of the Directors of the Company.

"**Company**" means Guruashish Construction Private Limited.

"**Directors**" means Directors of the Company.

"**Independent Director**" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"**Key Managerial Personnel**" (KMP) in relation to a Company means,

i. The Chief Executive Officer, or the Managing Director or the Manager;

ii. The Company Secretary;

iii. The Whole-time Director;

iv. Chief Financial Officer and

v. Such other officer as may be prescribed under the Act.

"**Senior Management Personnel**" mean employees of the company who are members of its core management team excluding Board of Directors including the functional / vertical heads.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall have minimum three Directors as Members and out of which not less than one half shall be Independent Directors. The Nomination and Remuneration Committee comprises of the following Directors:

1)	Mrs. Sandhya Baliga	Non-Executive Independent Director	Chairperson
2)	Mr. Hazari Lal	Non-Executive Independent Director	Member
3)	Mr. Sarang Wadhawan	Non-Executive Non-Independent Director	Member

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The role of the Committee inter-alia will be the following:

- identify person who is qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performances;
- formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Employees;
- devising a policy on Board diversity;
- formulation of criteria for evaluation of Independent Directors and the Board;
- ensure that the Board comprises of a balanced combination of Executive Directors and Non- executive Directors and also the Independent Directors and
- decide / approve details of fixed components and performance linked incentives along with criteria.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

(i) Appointment criteria and qualifications:

- 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 about his / her appointment;
- 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;
- 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 the Shareholders of the Company.

(ii) Term / Tenure:

- 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 year before the expiry of term;
- 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;
- No Independent Director shall hold office for more than two consecutive terms, 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 and

- 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.

(iii) Evaluation:

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

(iv) Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations, 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.

(v) 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.

REMUNERATION FOR DIRECTOR, KMP AND SENIOR MANAGEMENT

The general features of Remuneration for Director, KMP and Senior Management Personnel are as under:

- The remuneration / compensation / commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director and Managing Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act and the rules made thereunder.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.
- This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board Meeting minutes.

i. Remuneration to Whole-time / Executive / Managing Director

Fixed pay:

The Whole-time Director, Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break- up of the pay scale and quantum of perquisites including, employer's contribution to Provident and Pension Fund, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director / Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration:

If any Whole-time Director/ Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior approval of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

ii. Remuneration / Commission to Non-Executive / Independent Director

Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

Sitting Fees:

The Non-Executive / Independent Director may receive remuneration by way of fees for attending Meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 10,000/- per Meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Further the boarding and lodging expenses shall be reimbursed to the Directors.

Commission:

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 3% of the profits of the Company computed as per the applicable provisions of the Act, if there are no Managing or Whole-Time Director of the Company.

In case, where the Company has appointed Managing or Whole-Time Director then Commission shall be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

REVIEW

This Policy shall be reviewed by the Board of Directors on its own and / or as per the recommendations of the Nomination and Remuneration Committee, as and when deemed fit.

****

INDEPENDENT AUDITORS' REPORT

To the Members of **GURUASHISH CONSTRUCTION PRIVATE LIMITED**,

Report on the Financial Statements

We have audited the accompanying Financial Statements of **Guruashish Construction Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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 purpose of expressing an opinion on whether the Company has in place of adequate internal financial control system over financial reporting and 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, 2017 and its profit 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financials control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : May 29, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31st March, 2017 of Guruashish Construction Private Limited:

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

(b) All the Fixed Assets have been physically verified by the management in a phased manner, over a period of one year, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Title deeds of the immovable property are held in the name of the company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of the inventory records, no material discrepancy was discovered during the period.

(iii) The Company has not granted any loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) The Company has not granted any Loans or Guarantees to directors or made any investments as mentioned in the Sec 185 and Sec 186 of the Act and hence the provisions of clause (iv) are not applicable to the Company.

(v) The company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under to the extent notified.

(vi) As the aggregate value of turnover of the Company during the immediately preceding financial year did not exceed rupees thirty five crores, the provisions of Companies (Cost Accounting Records) Rules, 2014 notified by the Central Government under Section 148 of the Act are not applicable to the Company for the current financial year.

(vii) (a) According to the information and explanations provided to us the Company is generally regular in depositing undisputed amount payable in respect of provident fund, employee's state insurance, income tax, sales- tax, wealth-tax, service-tax and other material statutory dues as applicable with the appropriate authorities except the following dues which were outstanding as at 31st March, 2017 for a period more than 6 months from the date they became payable-

Nature of Dues (inclusive of interest)	₹ In Lakhs
Tax Deducted at Source	193.15
Service Tax	8.56
Value Added Tax	11.55

(b) According to the information and explanations given to us, there are no material dues of service tax, value added tax, wealth tax, customs duty and cess which have not been deposited with the appropriate authorities on account of any dispute, except following Income Tax demand:

Name of The Statute	Nature of Dues	Forum where the Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in Lakhs)	Amount unpaid
Income Tax Act, 1961	Income Tax Demand	CIT Appeals	F.Y. 2011-12	4220.25	4220.25
Income tax Act,1961	Income Tax Demand	CIT Appeals	F.Y. 2012-13	6881.02	6881.02
Income tax Act,1961	TDS	CIT Appeals	F.Y.2013-14	224.29	224.29
Income tax Act,1961	TDS	CIT Appeals	F.Y.2014-15	34.93	34.93
Income tax Act,1961	TDS	CIT Appeals	F.Y. 2015-16	16.94	16.94
Income tax Act,1961	TDS	CIT Appeals	F.Y.2016-17	19.89	19.89
Income tax Act,1961	TDS	CIT Appeals	F.Y.2012-13	977.18	977.18
Income tax Act,1961	TDS	CIT Appeals	F.Y.2011-12	5.00	5.00

(viii) As per the information and explanations furnished to us and our verification of records of the Company, the Company has delayed in repayment of dues to Financial Institutions and Banks. An amount of ₹ 7518.56 Lakhs towards interest on Term Loans from Financial Institutions and ₹ 14004 Lakhs toward Principal amount on Term Loans from Financial Institutions and Banks.

(ix) The Company has not raised money through initial public offers or further public offers or debt instruments or term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company or its employees or officers has been noticed or reported during the course of our audit.

(xi) The Company has not paid Managerial Remuneration during the year hence the provisions of clause xi of the Order are not applicable.

(xii) The Company is not a Nidhi Company as specified by the Act and hence the provisions under clause (xii) are not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with sections 177 and 188 of the Companies Act, 2013 and where applicable the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the financial year.

(xv) The Company has not entered into any Non Cash Transactions with Directors or person connected with them during the financial year.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : May 29, 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **M/S GURUASHISH CONSTRUCTION PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Thar & Co.,**
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : May 29, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	1st April, 2015
I. ASSETS				
(A) Non-current assets				
Property, Plant and Equipment	2	0.39	0.62	1.05
Financial Assets				
Investments	3	-	-	25.00
Deferred tax assets (net)	4	0.14	0.10	0.01
Other non-current assets	5	2,946.69	1,059.83	122.56
(B) Current assets				
Inventories	6	84,601.00	67,359.69	58,759.55
Financial Assets				
Trade receivables	7	4,220.33	9,762.68	11,058.20
Cash and cash equivalents	8	6.09	446.70	26.15
Others	9	21,652.76	26,566.88	40,304.53
Total Assets		**113,427.40**	**105,196.50**	**110,297.06**
II. EQUITY AND LIABILITIES				
Equity Share capital	10	1,700.00	1,700.00	1,700.00
Other Equity	11	55,851.20	55,853.78	55,847.63
LIABILITIES				
(A) Non-current liabilities				
Financial Liabilities				
Borrowings	12	14,004.41	14,004.41	19,578.74
(B) Current liabilities				
Financial Liabilities				
Trade payables	13	7,262.78	2,804.02	3,285.47
Other financial liabilities	14	7,518.56	5,491.19	3,104.85
Other current liabilities	15	27,090.45	25,343.10	26,780.38
Current Tax Liabilities (Net)	16	-	-	-
Total Equity and Liabilities		**113,427.40**	**105,196.50**	**110,297.06**
Accounting Polices	1			

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

Rinkesh R. Gala
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016
Revenue From Operations	17	-	6.41
Other Income	18	-	5.84
Total Income		**-**	**12.25**
Expenses:			
Cost of materials consumed	19	15,129.27	6,202.88
Changes in inventories of work-in-progress	20	(17,241.31)	(8,600.14)
Employee benefits expense	21	4.87	1.93
Finance costs	22	2,045.35	2,332.76
Depreciation and amortization expense	2	0.23	0.43
Other expenses	23	64.20	68.33
Total expenses		**2.61**	**6.19**
Profit/(loss) before exceptional items and tax		(2.61)	6.06
Exceptional Items		-	-
Profit/(loss) before tax		(2.61)	6.06
Tax expense:			
Current tax		-	-
Deferred tax		(0.03)	(0.09)
		(0.03)	(0.09)
Profit/(loss) for the year from continuing operations		(2.58)	6.15
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax)		-	-
Profit/(loss) for the year		**(2.58)**	**6.15**
Other Comprehensive Income		-	-
Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)		**(2.58)**	**6.15**
Earnings per equity share:			
Basic		(0.15)	0.36
Diluted		(0.15)	0.36
Accounting Policies	1		

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

Rinkesh R. Gala
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		(2.61)		6.06
	Adjustments for :				
	Depreciation and amortization expense	0.23		0.43	
	Profit on sale of units of mutual fund	-		(5.84)	
	Interest expenses	2,031.98	2,032.21	2,319.39	2,313.98
	Operating profit before working capital changes		2,029.60		2,320.04
	Movements in working capital :				
	Decrease / (Increase) in inventory	(17,227.94)		(8,586.77)	
	Decrease / (Increase) in trade receivable	5,542.35		1,295.51	
	Decrease / (Increase) in other receivables	3,013.88		12,787.02	
	(Decrease) / Increase in trade and other current liabilities	8,233.47		467.62	
	Net movement in working capital		(438.23)		5,963.38
	Cash generated from operations		1,591.36		8,283.42
	Less : Direct taxes paid (net of refunds)		-		-
	Net cash from operating activities		**1,591.36**		**8,283.42**
B	**Cash flows from investing activities**				
	Sale of units of mutual fund		-		30.84
	Net cash from investing activities		**-**		**30.84**
C	**Cash flows from financing activities**				
	Repayment of borrowings	-		(5,574.33)	
	Interest expenses	(2,031.98)	(2,031.98)	(2,319.39)	(7,893.72)
	Net cash used in financing activities		**(2,031.98)**		**(7,893.72)**
	Net increase in cash and cash equivalents (A + B + C)		(440.62)		420.54
	Cash and cash equivalents at the beginning of the year		446.71		26.16
	Cash and cash equivalents at the end of the year		**6.09**		**446.70**
	Components of cash and cash equivalents as at		**31-Mar-2017**		**31-Mar-16**
	Cash on hand		0.44		434.12
	With banks - on current account		5.65		12.58
	Total		**6.09**		**446.70**

Note :
Figures in the brackets indicate outflow.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

Rinkesh R. Gala
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	1,700.00	1,700.00
Change in Equity Share capital during the year	-	-
Balance at the end of the year	**1,700.00**	**1,700.00**

B. Other Equity

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	General Reserves	Retained Earnings	
As at 1st April, 2015	4,839.50	51,000.00	8.13	55,847.63
Profit for the year	-	-	6.15	6.15
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive income for the year	-	-	6.15	6.15
Balance as at 31st March, 2016	**4,839.50**	**51,000.00**	**14.28**	**55,853.78**
Profit for the year	-	-	(2.58)	(2.58)
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive income for the year	-	-	(2.58)	(2.58)
Balance as at 31st March, 2017	**4,839.50**	**51,000.00**	**11.70**	**55,851.21**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

Rinkesh R. Gala
(Company Secretary)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Guruashish Construction Private Limited is engaged primarily in the business of real estate construction, development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at Ground Floor, Siddharth Nagar No. 1, Opp. Siddharth Nagar Post Office, Goregaon (West), Mumbai - 400 104.

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 34 Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- Unit in real estate: -

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

- Sale/trading of goods and materials: -

  Sale are recognised when goods are supplied and are recorded net of returns, trade discounts, rebates and indirect taxes.

ii) Interest: -

- Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.

iii) Dividends: -

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

iv) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

During the year under consideration there were no payment employees, hence benefits as per Ind AS 19 Employees Benefits are not recognised.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognised in the statement of profit and loss except to the extent that the tax relates to items recognised directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the year they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

  Amortised Cost

  A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

  The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

  The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

  Fair value through Profit and Loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

- **Equity investments**

  The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

  In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

  Reclassification of financial assets and Liabilities

  The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on “Operating Segments”.

(₹ in lacs)

	Particulars	Furniture and Fixtures	Office Equipments	Total
2	**PROPERTY, PLANT AND EQUIPMENT**			
	Cost			
	At 1st April, 2015	0.53	0.52	1.05
	Addition	-	-	-
	Disposals	-	-	-
	At 31st March, 2016	**0.53**	**0.52**	**1.05**
	Addition	-	-	-
	Disposals	-	-	-
	At 1st March, 2017	**0.53**	**0.52**	**1.05**
	Depreciation			
	At 31st April, 2015	-	-	-
	Depreciation charge for the year	0.10	0.33	0.43
	At 31st March, 2016	**0.10**	**0.33**	**0.43**
	Depreciation charge for the year	0.10	0.13	0.23
	At 1st March, 2017	**0.20**	**0.45**	**0.66**
	Net book value			
	At 31st March, 2017	0.33	0.07	0.39
	At 31st March, 2016	0.43	0.16	0.62
	At 1st April, 2015	0.53	0.52	1.05

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
3.	**Investments in Mutual Fund**			
	Nil (previous year Nil) units of Union KBC Capital Protection Oriented Fund - Series 2 - Regular Growth Plan	-	-	25.00
		-	**-**	**25.00**

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
4.	**DEFERRED TAX ASSETS**			
	Assets			
	Property, Plant & Equipment	0.14	0.10	0.01
		0.14	**0.10**	**0.01**

	Particulars	Balance as at 31st Mar, 2016	Movement during the year		Balance as at 31st Mar, 2017
			Recognised in Profit & Loss	Recognised in Equity	
4.1	**Movement in Deferred Tax Balances**				
	Property, Plant & Equipment	0.10	0.03	-	0.13
		0.10	**0.03**	**-**	**0.13**

	Particulars	Balance as at 1st April, 2015	Movement during the year		Balance as at 31st Mar, 2016
			Recognised in Profit & Loss	Recognised in Equity	
4.2	**Movement in Deferred Tax Balances**				
	Property, Plant & Equipment	0.01	0.09	-	0.10
		0.01	**0.09**	**-**	**0.10**

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
5.	**OTHER NON-CURRENT ASSETS**			
	Income tax refund receivable	6.37	6.37	57.48
	Income Tax paid (Incl. Tax deducted at source)	2,910.22	1,009.99	8.25
	Prepayments	30.10	43.47	56.83
		2,946.69	**1,059.83**	**122.56**
6.	**INVENTORIES:**			
	Work-in-progress	84,601.00	67,359.69	58,759.55
		84,601.00	**67,359.69**	**58,759.55**
7.	**TRADE RECEIVABLES**			
	Unsecured considered good	4,220.33	9,762.68	11,058.20
		4,220.33	**9,762.68**	**11,058.20**
8.	**CASH AND CASH EQUIVALENTS**			
	(i) Balances with Banks (of the nature of cash and cash equivalents);			
	Current accounts	5.65	12.58	17.93
	(ii) Cash on hand	0.44	434.12	8.22
	Total	**6.09**	**446.70**	**26.15**
9.	**OTHERS**			
	Advances other than capital advances			
	(i) Security Deposits	91.88	319.44	319.44
	(ii) Other advances			
	Advance to suppliers	21,390.29	26,120.58	39,876.82
	Prepaid expenses	-	-	0.64
	Others	170.59	126.86	107.63
		21,652.76	**26,566.88**	**40,304.53**
10.	**Equity Share Capital**			
	Authorised			
	25,00,000 (Previous year 25,00,000) Equity shares of ₹ 100/- each	**2.500.00**	**2.500.00**	**2.500.00**
	Issued, Subscribed and Paid up			
	17,00,000 (Previous year 17,00,000) Equity shares of ₹ 100/- each	1,700.00	1,700.00	1,700.00
		1,700.00	**1,700.00**	**1,700.00**

i) Reconciliation of the number of shares outstanding :

Particulars	Number	Number	Number
Equity Shares			
Shares outstanding at the beginning of the year	17,00,000	17,00,000	11,00,000
Shares Issued during the year	-	-	6,00,000
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	**17,00,000**	**17,00,000**	**17,00,000**

Terms / rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 100/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

ii) Shares in the Company held by each shareholder holding more than 5 percent :

Housing Development and Infrastructure Limited - holding Company	Numbers	17,00,000	17,00,000	17,00,000
	%	100%	100%	100%

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
11.	**OTHER EQUITY**			
	Securities Premium Reserve	4,839.50	4,839.50	4,839.50
	General Reserves	51,000.00	51,000.00	51,000.00
	Retained Earnings	11.70	14.28	8.13
		55,851.20	**55,853.78**	**55,847.63**
12.	**NON CURRENT BORROWINGS**			
	Secured Long Term Borrowings :			
	Term Loans from Scheduled Banks	13,668.99	13,668.99	19,243.32
	Term loans from Financial Institutions	335.42	335.42	335.42
		14,004.41	**14,004.41**	**19,578.74**

Term Loan from Union Bank of India

Secured by registered mortgage of immovable properties admeasuring 1,23,365 Sq.mtrs. situated at Village Chandansar and admeasuring 1,23,360 Sq.mtrs situated at village Doliv, Khardi, Koshimbi, Dahisar and Kasarali, Dist. Thane, comprising of various survey numbers, owned by Privilege Power And Infrastructure Private Limited. a subsidiary of the holding Company. Rate of interest 14.50% (previous year 14.50%) payable monthly. Repayable in 20 quarterly instalments of ₹ 10.00 Lacs each.

Term Loan from IL & FS

Secured by registered mortgage of Development rights of property admeasuring 24,400 Sq.mtrs located at Siddarth Nagar, Mumbai owned by the Company and first and exclusive registered mortgage of 51,880 Sq.mtrs of land located at Maljipada village Taluka Vasai owned by Housing Development and Infrastructure Limited, Holding Company. Rate of interest 20.00% p.a. (previous year 20.00 % p.a.) payable quarterly.

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
13.	**TRADE PAYABLES (CURRENT)**			
	Micro, Small and Medium Enterprises	-	-	-
	Others	7,262.78	2,804.02	3,285.47
		7,262.78	**2,804.02**	**3,285.47**

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
14.	**OTHER FINANCIAL LIABILITIES (CURRENT)**			
	Interest accrued -			
	Due but not paid on loans	7,518.56	5,491.19	3,104.85
		7,518.56	**5,491.19**	**3,104.85**

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
15.	**OTHER CURRENT LIABILITIES**			
	Revenue received in advance	25,195.32	24,980.33	26,070.04
	Others			
	Statutory dues	238.71	206.63	478.42
	Others	1,656.42	156.14	231.92
		27,090.45	**25,343.10**	**26,780.38**
16.	**CURRENT TAX LIABILITIES (NET)**			
	Provision for taxation	0.54	0.54	0.54
	Less : Tax Paid	0.54	0.54	0.54
		-	**-**	**-**

(₹ in lacs)

	Particulars		Year ended 31st March, 2017	Year ended 31st March, 2016
17.	**REVENUE FROM OPERATIONS**			
	Other operating income			
	Flat cancellation charges		-	0.97
	Interest on income tax refund		-	5.44
			-	**6.41**
18.	**OTHER INCOME**			
	Profit on sale of units of Mutual Fund		-	5.84
			-	**5.84**
19.	**COST OF MATERIALS CONSUMED**			
	Tenancy / claims / FSI / development rights/Land		9,059.10	-
	Cost of material consumed		6,070.17	6,202.88
			15,129.27	**6,202.88**
20.	**CHANGES IN INVENTORIES OF WORK-IN-PROGRESS**			
	Opening work-in-progress		67,359.69	58,759.55
		Subtotal	67,359.69	58,759.55
	Closing work-in-progress		84,601.00	67,359.69
		Subtotal	84,601.00	67,359.69
			(17,241.31)	**(8,600.14)**
21.	**EMPLOYEE BENEFITS EXPENSE**			
	Salaries and incentives		4.87	1.93
			4.87	**1.93**

(₹ in lacs)

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
22.	**FINANCE COSTS**		
	Interest		
	Project specific interest expenses	2,045.35	2,332.76
		2,045.35	**2,332.76**
23.	**OTHER EXPENSES**		
	Insurance charges	-	0.40
	Bank Charges	0.15	3.76
	Other expenses	0.32	0.18
	Printing and stationery	0.52	1.86
	Security charges	28.91	18.22
	Professional fees	27.24	35.67
	Repairs and maintenance to other assets	2.55	2.53
	Communication expenses	1.74	2.37
	Travelling and conveyance expenses	0.94	1.62
	Remuneration to auditors		
	Audit fees	0.50	0.50
	Taxation matters	0.25	0.25
	Directors sitting fees	1.00	0.80
	Filing fees paid to the Registrar of Companies	0.08	0.17
	Total	**64.20**	**68.33**
	Above expenses includes Project related expenses	61.82	62.58
24.	**EARNINGS PER EQUITY SHARE HAS BEEN COMPUTED AS UNDER:**		
	Profit after tax as per Statement of Profit and Loss	(2.58)	6.15
	Net Profit attributable to Equity Shareholders	(2.58)	6.15
	Weighted average number of equity shares used as denominator for calculating EPS	1,700,000	1,700,000
	Earning per share - Basic	(0.15)	0.36
	Earning per share - Diluted	(0.15)	0.36
	Nominal value per equity share is ₹ 100/- Fully Paid		
25.	**Contingent Liabilities not Provided for:**		
	Income-tax demand disputed by the Company	49,083.27	42,202.25
26.	**Contingent liabilities not provided for:**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil

27. Related party disclosure:

List of related parties with whom transactions have taken place during the current accounting year and relationship:

a) Housing Development and Infrastructure Limited - Holding Company

b) Key management personnel - Not applicable

c) Enterprise significantly influenced by key management personnel - Not applicable

d) Transaction with related party (₹ in Lacs)

Nature of transactions	31st March, 2017				31st March, 2016			
	Holding Company	Associates	Key Management Personnel	Total	Holding Company	Associates	Key Management Personnel	Total
	-	-	-	-	-	-	-	-

28. FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)

31st March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Trade receivables	4,220.33	4,220.33
Cash and cash equivalents	6.09	6.09
Bank balances	21,652.76	21,652.76
Financial Liabilities		
Non Current		
Borrowings	14,004.41	14,004.41
Current		
Trade payables	7,262.78	7,262.78
Other financial liabilities	7,518.56	7,518.56

31st March, 2016	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Trade receivables	9,762.68	9,762.68
Cash and cash equivalents	434.12	434.12
Bank balances	12.58	12.58
Others	26,566.88	26,566.88
Financial Liabilities		
Non Current		
Borrowings	14,004.41	14,004.41
Current		
Trade payables	2,804.02	2,804.02
Other financial liabilities	5,491.19	5,491.19

1st April, 2015	Carrying amounts	
	Amortised cost	Total
Financial Assest		
Non Current		
Investment in Equity instruments	-	-
Investment in Mutual Funds	25.00	25.00
Current		
Trade receivables	11,058.20	11,058.20
Cash and cash equivalents	8.22	8.22
Bank balances	17.93	17.93
Others	40,304.53	40,304.53
Financial Liabilities		
Non Current		
Borrowings	19,578.74	19,578.74
Current		
Trade payables	3,285.47	3,285.47
Other financial liabilities	3,104.85	3,104.85

Carrying amount of Investment, Trade Receivables, Cash and Cash Equivalent, Bank balances, Other financial Assets, Trade payables and Other financial liabilities as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Company has fair valued the transaction of financial guarantee (under Other Financial Liabilities) on the basis of internal comparatble of a similar transaction with an unrelated party. The fair value so determined will therefore be classified under Level 2. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair valued measurements and the cost represents estimate of fair valued within that range.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which the employees understand their roles and obligations.

c) The Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Trade Receivables**

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's Credit risk in this respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does not have any significant concentration of credit risk.

The ageing of trade receivables is as follows:

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
TRADE RECEIVABLES (UNSECURED)			
Over six months	4,220.33	9,762.68	11,058.20
Less than six months	-	-	-
	4,220.33	**9,762.68**	**11,058.20**

The amounts reflected in the table above are not impaired as on the reporting date.

- **Project Deposits and Advances to Suppliers**

  The Company has given project deposits and Advances to Suppliers. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

  The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2017

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	14,004.41	-	-
Trade payables	7,262.78	-	-
Other financial liabilities	7,518.56	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	14,004.41	-	-
Trade payables	2,804.02	-	-
Other financial liabilities	5,491.19	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	19,578.74	-	-
Trade payables	3,285.47	-	-
Other financial liabilities	3,104.85	-	-

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management is as follows :

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
Financial Liabilities			
Fixed rate instruments			
Borrowing			
- From Financial institutions	335.42	335.42	335.42
Variable rate instruments			
Borrowing			
- From Schedule Bank	13,668.99	13,668.99	19,243.32

Fair value sensitivity analysis for fixed rate instruments

Fixed rate financial assets / liabilities are carried out at amortised cost. Therefore they are not subject to interest rate risk since, neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposure outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in lacs)

Particulars	100 BP Increase	100 BP Decrease
31st March, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowing	(136.69)	136.69
31st March, 2016		
Financial Liabilities		
Variable rate instruments		
Borrowing	(161.89)	161.89

29. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

(₹ in lacs)

Particulars	SBN	Other denomination notes	Total
Closing Cash in hand as on 8th November, 2016	-	0.44	0.44
Add : Permitted Receipts	-	-	-
Less : Permitted Payments	-	-	-
Less : Amount deposited in Banks	-	-	-
Add : Amount withdrawn form Banks	-	-	-
Closing cash in hand as on 30th December 2016	-	0.44	0.44

30. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

31. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

32. Authorisation of Financial Statements

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017.

33. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

34. First-time adoption of Ind-AS

The transition as at 1st April, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Optional Exemptions availed

i) Property, Plant & Equipment

As permitted by Ind As 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment.

B) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates, wherever applicable, for the following items in accordance with the Ind AS at date of transition as these were not Wrequired under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVTOCI
- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

C) Reconciliation between previous GAAP and Ind AS

The exercise of transition of the balances under previous GAAP to Ind AS was carried out by the Company as on 1 April 2015 in accordance with Indian Accounting Standards and after considering the principles of the said standard, there have been no change in the balances of other equity as on 1st April, 2015 and consequently as on 31 March 2016 and also there is no change in the Net Profit/Loss for the year ended 31st March, 2016.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

Rinkesh R. Gala
(Company Secretary)

NOTICE

To,
The Members
HC INFRACITY PRIVATE LIMITED
New Delhi

NOTICE is hereby given that the 6th Annual General Meeting of the Members of **HC INFRACITY PRIVATE LIMITED** will be held on September 25 , 2017, Monday at 11:00 A.M (IST) at Registered Office of the Company situated at A-20, Kailash Colony, New Delhi, Delhi – 110 048, to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of Financial Statements:

To consider and adopt the financial statements of the Company for the year ended March 31, 2017, together with the Report of the Board of Directors and the Auditors thereon.

Item No. 2: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Satyajeet Yashwant Hire (DIN: 07108938), who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Item No. 3: Appointment of M/s. BSSG & Co., Chartered Accountants (Firm Registration No. 009839N), as Statutory Auditors in place of Retiring Statutory Auditor:

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) and the Companies (Audit and Auditors) Rules, 2014 (**"the Rules"**) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and upon recommendation of the Audit Committee, M/s. BSSG & Co., Chartered Accountants (Firm Registration No. 009839N), who have offered themselves for re-appointment and have confirmed their eligibility to be re-appointed as Auditor, in terms of the provisions of Section 141 of the Act and the Rules, be and are hereby appointed as Statutory Auditors of the Company from the conclusion of ensuing Annual General Meeting (**"AGM"**) until conclusion of the Eleventh AGM of the Company, at such remuneration, out-of-pocket expenses, etc. plus Applicable taxes as may be mutually agreed upon by the Board of Directors of the Company and the Auditors."

By order of the Board of Directors

Rakesh Kumar Wadhawan
Director
DIN: 00028573

Place: Mumbai
Date: May 29, 2017

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCITIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS OR AUTHORITY, AS APPLICABLE.**

   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 **("the Act")**, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. A Route map showing directions to reach the venue of the 6th AGM is given at the end of the this Notice as per requirement of the Secretarial Standard – 2 on "General Meeting" as prescribed by the Institute of Company Secretaries of India, as mandated by the provisions of Section 118(10) of the Act.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

Venue: A-20, Kailash Colony, New Delhi, Delhi – 110 048

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013 ("The Act"), sets out all material facts relating to item(s) mentioned in the accompanying Notice for convening the 6th Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mrs. Romy Mehra (holding DIN : 01882894), including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except Mrs. Romy Mehra and his relatives, Mr. Pawan Mehra, who being husband of Ms. Romy Mehra and Mr. Gautam Mehra, who being son of Mrs. Romy Mehra and Mr. Rakesh Kumar Wadhawan who, being brother of Mrs. Romy Mehra, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

TABLE A- BRIEF PROFILE OF APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

Name of the Director	**Mrs. Romy Mehra**
Age	49 year
Qualification	Commerce Graduate with MBA
Experience	She has a rich experience of more than two decades in the Real Estate Industry.
Terms and condition for Re- appointment	Appointed as Non-Executive Director, liable to retire by rotation and Sitting fees shall be paid as per the Section 197 of the Act and Rules thereon
Detail of Remuneration	Nil
Date of First Appointment	30/11/2011
Shareholding in the Company	NIL
Relationship with other director/Manager and other KMP	i) Mr. Pawan Mehra - Husband ii) Mr. Gautam Mehra - Son ii) Mr. Rakesh Kumar Wadhawan - Brother
Number of meetings attended during the financial year 2016-17.	1 (one)
Directorships of other Board	Libra Hotels Private Limited HPC Export Private Limited PRG Projects Private Limited Dewan Realtors Private Limited Libra Realtors Private Limited UM Architechtures And Contractors Limited Saan Realty Private Limited Sukriti Infracon Private Limited Conclave Infotech Private Limited Conclave Housing And Hospitality Private Limited
Membership/Chairmanship of Committees of other Board	NIL

By order of the Board of Directors

Rakesh Kumar Wadhawan
Director
DIN: 00028573

Place: Mumbai
Date: May 29, 2017

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 6th Annual Report of the Company together with the Audited Financial Statement for the Financial Year **("F.Y.")** ended March 31, 2017.

BACKGROUND AND OPERATIONS:

Your Company is a subsidiary of Housing Development and Infrastructure Limited and the Company is engaged into real estate activities and infrastructure development.

PROJECT:

Your Company has launched "Imperial Country" Project featuring 100 acres Integrated Township at Yamuna Expressway, New Delhi.

FINANCIAL PERFORMANCE:

Your Company's performance during the F.Y. year ended March 31, 2017, as compared to the previous F.Y. is summarised below:

(₹ In Lacs)

Particulars	2016-17	2015-16
Gross sales and other receipts	-	-
Profit before finance cost, depreciation, amortisation and taxation	(2.47)	(3.37)
Finance Cost	-	-
Depreciation and Amortization	5.88	8.78
Operational profit before tax	(8.35)	(12.15)
Less: Tax Expenses	(0.64)	(1.44)
Profit for the year	(7.71)	(10.71)
Balance brought forward	30.64	41.35
Profit available for appropriation	22.94	30.64
Closing Balance	22.94	30.64
Net Worth	1,022.94	1,030.64

STATE OF COMPANY'S AFFAIRS AND PERFORMANCE REVIEW:

Your Company was unable to earn any revenue during the year and the Company has incurred Loss of ₹ 7.71 lacs as against Loss of ₹ 10.71 lacs in the previous year. The Directors are hopeful for a better performance in the upcoming years.

DIVIDEND:

In view of losses for the year, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL:

The paid-up equity share capital of the Company as at March 31, 2017 was ₹ 1,000 lacs. During the F.Y., there was no change in the issued, subscribed and paid up share capital of the Company.

RESERVES:

In view of losses for the year, no amount has been transferred to reserves.

DEPOSITS:

Your Company did not hold any public deposits at the beginning of the year, nor it has accepted any deposits from the public during the F.Y., within the ambit of Section 73 of the Companies Act, 2013 **("the Act")** and the Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the applicable Companies (Management and Administration) Rules, 2014 framed thereunder, is annexed as **Annexure "A"**.

PARTICULARS OF EMPLOYEES:

Your Directors place on record their appreciation for the contribution made by the employees of the Company at all levels. Relations between employees and the Management continued to be cordial during the year.

REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company is committed to providing and promoting a safe and healthy work environment for all its employees.

Your Company has in place a 'Prevention of Sexual Harassment' ("POSH") policy that is in line with the provisions of the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Rules framed thereunder for prevention and redressal of complaints pertaining to sexual harassment at workplace and a structured reporting and redressal mechanism is in place.

During F.y. 2016-17, Your Company Has Not Received Any Compliant On Sexual Harassment.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

- COMPOSITION OF THE BOARD

The Board is constituted as per the Companies Act, 2013. The Company's Board consist of, Whole time Director, Executive directors and Independent Director. Independent Director are expected to play critical role in imparting balance to the Board processes by bringing an independent approach on matters in strategies, performance, resources, standard if company conducts, etc.

The Board present comprise of the following directors:-

Mr. Gautam Mehra	:	Whole-Time Director
Ms. Romy Mehra	:	Whole-Time Director
Mr. Pawan Mehra	:	Director
Mr. Rakesh Kumar Wadhawan	:	Director
Mr. Sarang Wadhawan	:	Director
Mr. Hazari Lal	:	Independent Director
Ms. Sandhya Baliga	:	Independent Director

In accordance with the provisions of Section 152 of the Act, Mr. Satyajeet Yashwant Hire, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

- Board Meeting

The Board meets regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 4 times during the financial year 2016-17; on **28/05/2016, 10/09/2016, 12/12/2016 & 14/02/2017**.

ATTENDANCE BY THE DIRECTORS IN THE BOARD MEETING

The Board duly met during 4 times in the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below:

Name of the Directors	Director Identification Number	Attendance		
		No. of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Mr. Rakesh Kumar Wadhawan	00028573	4	4	Yes
Mr. Sarang Wadhawan	00028608	4	4	Yes
Mr. Satyajeet Hire	07108938	4	4	Yes
Mr. Hazari Lal	06696100	4	4	Yes
Ms. Sandhya Baliga	07015987	4	4	Yes

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD :

Your Company has following committees of the Board, which are in place in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- Audit Committee

- Nomination and Remuneration Committee
- **Audit Committee :**

  Your Company has audit Committee comprising of Directors in the Board. The Committee is responsible for the review, examining and evaluating internal financial Report, Financial statements and Auditors Report; Approval of Audit plans; foresees the management and direction of the related party policies and the vigil Mechanism policies; appointment of auditors amongst other responsibilities as contained in the terms of references.

  During the F.Y. 2016-17, the Audit Committee met four (4) times viz. on May 28, 2016; September 10, 2016; December 12, 2016, and February 14, 2017.

  The Audit Committee comprises of Members (Directors of the Board) and attendance by the members in the Audit Committee meeting are following:

Sr. No.	Name of the Members	Designation	Attendance	
			No. of Committee Meetings held during FY 2016-17	Number of Meetings attended
1	Mr. Hazari Lal	Chairman	4	4
2	Mr. Sarang Wadhawan	Member	4	4
3	Mrs. Sandhya Baliga	Member	4	4

NOMINATION AND REMUNERATION COMMITTEE:

Your Company has Nomination & Remuneration Committee comprising of following Directors:

1. Mr. Hazari Lal - Chairperson
2. Mr. Sarang Wadhawan - Member
3. Mrs. Sandhya Baliga - Member

During the F.Y., No Nomination & Remuneration Committee was held as there was no necessity to hold a meeting.

STATUTORY AUDITORS:

M/s. BSSG & Co., Chartered Accountants (Firm Registration No. 009839N), Statutory Auditors of your Company, who retire at the ensuing AGM have confirmed his consent for re-appointment as Statutory Auditor. The Company has also received a letter from M/s. BSSG & Co., Chartered Accountants, to the effect that their re-appointment, if made, would be in accordance with the provisions of the Section 139 of the Act and that, they are not disqualified for such appointment within the meaning of Section 141 of the Act.

Accordingly, the re-appointment of M/s. BSSG & Co., Chartered Accountants, as statutory auditor of the Company, is placed for the shareholders approval for term of 5 years commencing from the conclusion of this AGM till the Conclusion of 11th AGM which will held in 2022.

EXPLANATION ON AUDITORS' REPORT:

As regards the observation by the Auditor in the Auditor's Report regarding delay in payment of Statutory dues, the Company will take remedial measures to pay the Income Tax Deducted at Source and ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers made by Auditors in their Report dated May 28, 2016, on the Financial Statements of the Company for F.Y. 2015-16.

INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial controls with reference to financial statements and to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Pursuant to Section 186 of the Act, particulars of the loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties during the F.Y. were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Act, are not attracted and hence the disclosure in form AOC-2 is not required.

Suitable disclosures as required under Ind AS-24 have been made in the Notes to the financial statements.

RISK MANAGEMENT:

Risk Management is an integral part of the Company's business strategy and taking that into consideration your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board has in place a Risk Management Policy to manage risk through a detailed policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

NOMINATION AND REMUNERATION POLICY:

The Company has in place a policy which lays down criteria for selection and appointment of Board Members. The policy also lays down a framework in relation to remuneration of Directors, Key Managerial Personnel **("KMP")** and Senior Management of the Company. The Policy also includes the criteria for determining qualifications, positive attributes and independence of Directors.

The Policy on Nomination and Remuneration of Directors and Senior Managerial Personnel is annexed to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y.

During the F.Y., the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

INFORMATION OF MATERIAL CHANGES AND COMMITMENTS:

There are no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2016 and prior to May 28, 2016, being the date of this report.

APPRECIATION:

Your Directors express their sincere thanks to the Business Associates, Government Authorities and Employees for their assistance and co-operation extended from time to time.

For and on behalf of the Board of Directors

Place: Mumbai	**Rakesh Kumar Wadhawan**	**Sarang Wadhawan**
Date: May 29, 2017	**Director**	**Director**
	DIN: 00028573	**DIN: 00028608**

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	U70101DL2011PTC228147
2.	Registration Date	November 30, 2011
3.	Name of the Company	HC Infracity Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares, Indian Non-Government Company
5.	Address of the Registered office and contact details	A-20, Kailash Colony, New Delhi - 110048 Tel: +91 22 6788 9000 Fax: +91 22 6788 9090 e-mail id: darshan.majmudar@hdil.in
6.	Whether listed company	No
7.	Name, Address and contact details of the Registrar and Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	75.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	10000000	10000000	100.00	-	10000000	10000000	100.00	
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**10000000**	**10000000**	**100.00**	**-**	**10000000**	**10000000**	**100.00**	**-**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

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	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**-**	**10000000**	**10000000**	**100.00**	**-**	**10000000**	**10000000**	**100.00**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.:									
i) Indian	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**10000000**	**10000000**	**100.00**	**-**	**10000000**	**10000000**	**100.00**	**-**

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	7500000	75.00	-	7500000	75.00	-	-
2	PRG Projects Private Limited	2500000	25.00	-	2500000	25.00	-	-
	Total	10000000	100.00	-	10000000	100.00	-	-

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

Sr. No.	Particulars	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
	At the beginning of the year				
	Date wise increase / (decrease) in Promoters Shareholding during the year specifying the reason for increase/ (decrease):				
	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
-	-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Rakesh Kumar Wadhawan	-	-	-	-
2	Mr. Sarang Wadhawan	-	-	-	-
3	Mr. Pawan Mehra	-	-	-	-
4	Mrs. Romy Pawan Mehra	-	-	-	-
5	Mr. Gautam Mehra	-	-	-	-
6	Mrs. Sandhya Baliga	-	-	-	-
7	Mr. Hazari Lal	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Rakesh Kumar Wadhawan	-	-	-	-
2	Mr. Sarang Wadhawan	-	-	-	-
3	Mr. Pawan Mehra	-	-	-	-
4	Mrs. Romy Pawan Mehra	-	-	-	-
5	Mr. Gautam Mehra	-	-	-	-
6	Mrs. Sandhya Baliga	-	-	-	-
7	Mr. Hazari Lal	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	3409	-	3409
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**3409**	**-**	**3409**
Change in Indebtedness during the financial year				
• Addition	-	1	-	1
• Reduction	-	-	-	-
Net Change	**-**	**1**	**-**	**1**
Indebtedness at the end of the financial year				
i) Principal Amount	-	3410	-	3410
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**3410**	**-**	**3410**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Romy Mehra	Gautam Mehra	
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	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit- others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	As per maximum ceiling limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013.		

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	**Independent Directors**	**Mrs. Sandhya Baliga**		**Mr. Hazari Lal**	
	Fee for attending Board / Committee Meetings	0.50		0.60	1.10
	Commission	-		-	-
	Others, please specify	-		-	-
	Total (1)	**-**		**-**	**-**
2	**Other Non-Executive Directors**	**Mr. Rakesh Kumar Wadhawan**	**Mr. Sarang Wadhawan**	**Mr. Pawan Mehra**	**-**
	Fee for attending Board / Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**
	Total (B) = (1+2)				**1.10**
	Ceiling as per the Act	Not Applicable as only sitting fees paid			

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

(Mr. Rakesh Kumar Wadhawan)
Director
(DIN: 00028573)

(Mr. Sarang Wadhawan)
Director
(DIN: 00028608)

Place: Mumbai
Date: 29th May, 2017

NOMINATION AND REMUNERATION POLICY

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 and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company.

The Board of Directors **("the Board")** of Lashkaria Construction Private Limited **("the Company")** at its Meeting held on March 14, 2015, constituted the Nomination and Remuneration Committee in compliance with the terms of the provisions of Section 178 of the Companies Act, 2013, read with Rules made there under **("the Act")** and subsequent amendments thereto from time to time.

The policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company has been formulated and approved by the Board of Directors at its Meeting held on March 14, 2015.

OBJECT AND PURPOSE

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees. The policy is framed with the objective(s):

- that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- that the remuneration to Directors, Key Managerial Personnel, and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration;
- to determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
- to carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage and
- to lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

APPLICABILITY AND GOVERNING LAW

This policy is applicable to all Directors viz. Executive, Non-Executive and Independent Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

This policy shall be governed by the Act read with Rules made thereunder, as may be in force for the time being and such other Rules / Regulations, as may be notified by MCA from time to time. Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

DEFINITIONS

In this policy unless the context otherwise requires:

"Act" shall mean the Companies Act, 2013 and the Rules and Regulations notified thereunder.

"Board of Directors" or **"Board"** in relation to the Company means the collective body of the Directors of the Company.

"Company" means HC Infracity Private Limited.

"**Directors**" means Directors of the Company.

"**Independent Director**" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"**Key Managerial Personnel**" (KMP) in relation to a Company means,

i. The Chief Executive Officer, or the Managing Director or the Manager;

ii. The Company Secretary;

iii. The Whole-time Director;

iv. Chief Financial Officer and

v. Such other officer as may be prescribed under the Act.

"**Senior Management Personnel**" mean employees of the company who are members of its core management team excluding Board of Directors including the functional / vertical heads.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall have minimum three Directors as Members and out of which not less than one half shall be Independent Directors. The Nomination and Remuneration Committee comprises of the following Directors:

1)	Mr. Hazari Lal	Non-Executive Independent Director	Chairperson
2)	Mrs. Sandhya Baliga	Non-Executive Independent Director	Member
3)	Mr. Sarang Wadhawan	Non-Executive Non-Independent Director	Member

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The role of the Committee inter-alia will be the following:

- identify person who is qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performances;
- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Employees;
- devising a policy on Board diversity;
- formulation of criteria for evaluation of Independent Directors and the Board;
- ensure that the Board comprises of a balanced combination of Executive Directors and Non- executive Directors and also the Independent Directors and
- decide / approve details of fixed components and performance linked incentives along with criteria.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

(i) Appointment criteria and qualifications:

- 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 about his / her appointment;
- 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;
- 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 the Shareholders of the Company.

(ii) Term / Tenure:

- 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 year before the expiry of term;
- 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;
- No Independent Director shall hold office for more than two consecutive terms, 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 and
- 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.

(iii) Evaluation:

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

(iv) Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations, 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.

(v) 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.

REMUNERATION FOR DIRECTOR, KMP AND SENIOR MANAGEMENT

The general features of Remuneration for Director, KMP and Senior Management Personnel are as under:

- The remuneration / compensation / commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director and Managing Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act and the rules made thereunder.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.
- This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board Meeting minutes.

i. Remuneration to Whole-time / Executive / Managing Director

Fixed pay:

The Whole-time Director, Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break- up of the pay scale and quantum of perquisites including, employer's contribution to Provident and Pension Fund, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director / Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration:

If any Whole-time Director/ Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior approval of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

ii. Remuneration / Commission to Non-Executive / Independent Director

Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

Sitting Fees:

The Non-Executive / Independent Director may receive remuneration by way of fees for attending Meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 10,000/- per Meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Further the boarding and lodging expenses shall be reimbursed to the Directors.

Commission:

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 3% of the profits of the Company computed as per the applicable provisions of the Act, if there are no Managing or Whole-Time Director of the Company.

In case, where the Company has appointed Managing or Whole-Time Director then Commission shall be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

REVIEW

This Policy shall be reviewed by the Board of Directors on its own and / or as per the recommendations of the Nomination and Remuneration Committee, as and when deemed fit.

INDEPENDENT AUDITORS' REPORT

The Members of **HC INFRACITY PRIVATE LIMITED,**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **HC Infracity Private Limited (the Company),** which comprise the Balance Sheet as at 31st March, 2017, 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 RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's management is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 Rules made thereunder.

We conducted our audit of the financial statement 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 amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal 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. An audit also includes evaluating the appropriateness of 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, 2017 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c. the Balance Sheet and 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 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director under sub-section (2) of section 164 of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company does not have any pending litigations which would impact its financial position.

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

   iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the Company.

For **BSSG & Company**
Chartered Accountants
Firm Registration No.: 009839N

Dr. Sanjay Goyal, FCA
Partner

Place : Mumbai
Dated : May 29, 2017

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date on the financial statements for the year ended 31st March 2016 of HC Infracity Private Limited :

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

b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) As explained to us, the inventory has been regularly verified during the year and the frequency of such verification is reasonable. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.

(iii) As per information and explanations given to us, 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, except an interest free advance to a company mentioned below:

Name of the Company	Amount (₹ in lacs)
UM Architechtures & Contractors Limited	74.32

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) In our opinion and according to the information and explanation provided to us, the Company has not accepted any deposits to which provision of section 73 to 76 or any other relevant provision of the Companies Act and rules framed there under to the extent notified.

(vi) In our opinion and as per information given to us, maintenance of cost records under section 148(1) of Act, 2013 has not been prescribed by the Central Government for the Company.

(vii) In respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding as on 31st March, 2017 for a period of more than six months from the date they become payable, except below mentioned:

Name of the Statue	Nature of dues	Amount (₹ in lacs)	Period to which amount relates
Income Tax Act, 1961	Tax Deducted at Source	0.28	2015-16
Income Tax Act, 1961	Tax Deducted at Source	0.25	2016-17
Finance Act, 1994	Service Tax	0.11	2015-16
Finance Act, 1994	Service Tax	0.25	2016-17

(b) According to the information and explanations given to us, there are no material dues of Service Tax, Value Added Tax, Wealth tax which have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has not defaulted in repayment of dues to financial institution or bank or debenture-holders during the year.

(ix) The Company has not raised money through initial public offers or further public offers during the financial year. However the term loans raised during the year have been applied by the Company for the purpose for which they were raised.

(x) Based on the audit procedures performed and the representation obtained from the management, no case of fraud on or by the Company or any of its employees or officers were noticed or reported during the course of our audit.

(xi) The Company has not paid Managerial Remuneration during the year, hence the provisions of the clause (xi) of the Order are not applicable.

(xii) The Company is not a Nidhi company as specified by the Act, and hence provisions under clause (xii) of the Order are not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act and where applicable the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **BSSG & Company**
Chartered Accountants
Firm Registration No.: 009839N

Dr. Sanjay Goyal, FCA
Partner
Membership No.: 088670

Place : Mumbai
Dated : May 29, 2017

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **HC INFRACITY PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **BSSG & Company**
Chartered Accountants
Firm Registration No.: 009839N

Dr. Sanjay Goyal, FCA
Partner
Membership No.: 088670

Place : Mumbai
Dated : May 29, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	1st April, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	13.64	19.52	28.30
Deferred tax assets (net)	3	2.77	2.13	0.68
Other non-current assets	4	38.01	38.01	38.01
Current assets				
Inventories	5	10,496.54	10,481.05	10,406.01
Financial Assets				
Cash and cash equivalents	6	0.19	0.35	0.25
Others	7	74.71	74.61	72.37
Total Assets		**10,625.86**	**10,615.67**	**10,545.62**
EQUITY AND LIABILITIES				
Equity Share capital	8	1,000.00	1,000.00	1,000.00
Other Equity	9	22.94	30.64	41.35
LIABILITIES				
Current liabilities				
Financial Liabilities				
Borrowings	10	3,410.04	3,409.16	3,409.16
Trade payables	11	222.41	228.24	236.55
Other current liabilities	12	5,970.47	5,947.63	5,858.56
Current Tax Liabilities (Net)	13	-	-	-
Total Equity and Liabilities		**10,625.86**	**10,615.67**	**10,545.62**
Accounting Police	1			

As per our Report of even date attached

For **BSSG & Company**
Chartered Accountants
Firm Registration Number: 009839N

Dr. Sanjay Goyal, FCA
Partner
Membership No. 088670

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	Revenue From Operations		-	-
II	Other Income		-	-
III	Total Income (I+II)		-	-
IV	**EXPENSES**			
	Cost of materials consumed	14	-	19.21
	Changes in inventories of finished goods and work-in-progress	15	(15.49)	(75.04)
	Employee benefits expense	16	8.26	3.44
	Depreciation and amortization expense	2	5.88	8.78
	Other expenses	17	9.69	55.76
	Total expenses (IV)		**8.34**	**12.15**
V	(Loss) before exceptional items and tax (III- IV)		(8.34)	(12.15)
VI	Exceptional Items		-	-
VII	(Loss) before tax (V-VI)		(8.34)	(12.15)
VIII	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		(0.64)	(1.45)
			(0.64)	(1.45)
IX	(Loss) for the year from continuing operations (VII-VIII)		(7.70)	(10.70)
X	(Loss) for the year		(7.70)	(10.70)
XI	**Other Comprehensive Income**			
	A Items that will not be reclassified to profit or loss		-	-
	B Items that will be reclassified to profit or loss		-	-
XII	Total Comprehensive Income for the year (X+XI) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		(7.70)	(10.70)
XIII	**Earnings per equity share (for continuing operation):**			
	(1) Basic		(0.08)	(0.11)
	(2) Diluted		(0.08)	(0.11)
	Accounting Police	1		

As per our Report of even date attached

For **BSSG & Company**
Chartered Accountants
Firm Registration Number: 009839N

Dr. Sanjay Goyal, FCA
Partner
Membership No. 088670

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

Particulars		31st March, 2017		31st March, 2016	
A.	**Cash flow from operating activities**				
	Net profit before tax		(8.35)		(12.15)
	Adjustments for :				
	Depreciation	5.89	5.89	8.78	8.78
	Operating profit before working capital changes		(2.46)		(3.37)
	Movements in working capital :				
	Decrease/(Increase) in inventories	(15.49)		(75.05)	
	Decrease/(Increase) in other receivables	(0.10)		(2.24)	
	Increase/(Decrease) in trade and other payables	17.01		80.76	
	Net movement in working capital		1.42		3.47
	Cash used in operations		(1.04)		0.10
	Less : Direct taxes paid (net of refunds)		-		-
	Net cash used in operating activities		(1.04)		0.10
B.	**Cash flows from investing activities**				
	Net cash used in investing activities		-		-
C.	**Cash flows from financing activities**				
	Proceeds from borrowings	0.88		-	
	Net cash from in financing activities		0.88		-
	Net increase in cash and cash equivalents (A + B + C)		**(0.16)**		**0.10**
	Cash and cash equivalents at the beginning of the year		0.35		0.25
	Cash and cash equivalents at the end of the year		**0.19**		**0.35**
	Components of cash and cash equivalents as at		**31st March, 2017**		**31st March, 2016**
	Cash on hand		0.02		0.07
	With banks - On Current account		0.17		0.28
			0.19		**0.35**

Notes:

Figures in the bracket indicate outflow.

As per our Report of even date attached

For **BSSG & Company**
Chartered Accountants
Firm Registration Number: 009839N

Dr. Sanjay Goyal, FCA
Partner
Membership No. 088670

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	1,000.00	1,000.00
Change in Equity Share capital during the year	-	-
Balance at the end of the year	**1,000.00**	**1,000.00**

B. Other Equity

Particulars	Reserves & Surplus Retained Earnings	Total Equity
As at 1st April , 2015	30.64	30.64
Profit for the year	(10.71)	(10.71)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	**(10.71)**	**(10.71)**
Contributions by and distributions to owners	-	-
Balance as at 31st March, 2016	19.93	19.93
Profit for the year	(7.71)	(7.71)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	**(7.71)**	**(7.71)**
Contributions by and distributions to owners	-	-
Balance as at 31st March, 2017	12.22	12.22

As per our Report of even date attached

For **BSSG & Company**
Chartered Accountants
Firm Registration Number: 009839N

Dr. Sanjay Goyal, FCA
Partner
Membership No. 088670

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

1 CORPORATE INFORMATION

HC Infracity Private Limited is engaged primarily in the business of real estate construction, development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at A-20, Kailash Colony, New Delhi -110048.

1.1 SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of Preparation:

i) Statement of compliance with Ind AS:

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 ('Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 28.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

B. Revenue recognition:

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- **Unit in real estate:-**

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

- **Sale :-**

  Sales are recognised when goods are supplied and are recorded net of returns, trade discounts, rebates and indirect taxes.

ii) Interest:-

- Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.

C. Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

D. Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are account exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were

initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

E. Retirement and other employee benefits

During the year under consideration there were no permanent employees, hence benefits as per Ind As 19, Employees Benefits are not recognised

F. Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

G. Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & Equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

H. Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

i) Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

I. Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the year they occur.

J. Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

K. Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

L. Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

- **Equity investments**

  The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

  In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Reclassification of financial assets and Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

M. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available.

The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

N. Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

O. Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

P. Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

(₹ in Lacs)

	Particulars	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
2.	**PROPERTY, PLANT AND EQUIPMENT**					
	Cost					
	At 1st April, 2015	9.35	6.76	11.73	0.46	28.30
	Addition	-	-	-	-	-
	Disposals	-	-	-	-	-
	At 31st March, 2016	**9.35**	**6.76**	**11.73**	**0.46**	**28.30**
	Additions	-	-	-	-	-
	Disposal	-	-	-	-	-
	At 31st March, 2017	**9.35**	**6.76**	**11.73**	**0.46**	**28.30**
	Depreciation					
	At 1st April, 2015	-	-	-	-	-
	Depreciation charge for the year	2.20	1.88	4.47	0.23	8.78
	Disposals	-	-	-	-	-
	At 31st March, 2016	**2.20**	**1.88**	**4.47**	**0.23**	**8.78**
	Depreciation charge for the year	**1.61**	**1.35**	**2.76**	**0.16**	**5.88**
	Disposals	-	-	-	-	-
	At 31st March, 2017	**3.81**	**3.23**	**7.23**	**0.39**	**14.66**
	Net book value					
	At 31st March, 2017	**5.54**	**3.53**	**4.50**	**0.07**	**13.64**
	At 31st March, 2016	**7.15**	**4.88**	**7.26**	**0.23**	**19.52**
	At 1st April, 2015	**9.35**	**6.76**	**11.73**	**0.46**	**28.30**

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
3.	**DEFERRED TAX ASSETS**			
	Assets			
	Related to Property, Plant & Equipment	2.77	2.13	0.68
		2.77	**2.13**	**0.68**

	Particulars	Balance as at 31st Mar, 2016	Movement during the year		Balance as at 31st Mar, 2017
			Recognised in Profit & Loss	Recognised in Equity	
3.1	**Movement in Deferred Tax Balances**				
	Property, Plant & Equipment	2.13	0.64	-	2.77
		2.13	**0.64**	**-**	**2.77**

	Particulars	Balance as at 1st April, 2015	Movement during the year		Balance as at 31st Mar, 2016
			Recognised in Profit & Loss	Recognised in Equity	
3.2	**Movement in Deferred Tax Balances**				
	Property, Plant & Equipment	0.68	1.45	-	2.13
		0.68	**1.45**	**-**	**2.13**

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
4.	**OTHER NON-CURRENT ASSETS**			
	Income tax refund receivable	38.01	38.01	38.01
	Total	**38.01**	**38.01**	**38.01**

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
5.	**INVENTORIES:**			
	Work-in-progress	10,496.54	10,481.05	10,406.01
		10,496.54	**10,481.05**	**10,406.01**
6.	**CASH AND CASH EQUIVALENTS**			
	(i) Balances with Banks (of the nature of cash and cash equivalents);			
	Current accounts	0.17	0.28	0.22
	(ii) Cash on hand	0.02	0.07	0.03
	Total	**0.19**	**0.35**	**0.25**
7.	**OTHERS**			
	Advances other than capital advances			
	(i) Security Deposits	0.30	0.30	0.30
	(ii) Other advances			
	Advance to suppliers	-	0.72	1.25
	Loans to employees	0.08	0.08	0.85
	Other advances	74.33	73.51	69.97
		74.71	**74.61**	**72.37**
8.	**Equity Share Capital**			
	Authorised			
	1,00,00,000 (Previous year 1,00,00,000) Equity shares of ₹ 10/- each	**1,000.00**	**1,000.00**	**1,000.00**
	Issued, Subscribed and Paid up			
	1,00,00,000 (Previous year 1,00,00,000) Equity shares of ₹ 10/- each fully paid	1,000.00	1,000.00	1,000.00
		1,000.00	**1,000.00**	**1,000.00**

Terms / rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

i) Reconciliation of the number of shares outstanding :

Particulars	Number	Number	Number
Shares outstanding at the beginning of the year	1,00,00,000	1,00,00,000	1,00,00,000.00
Shares Issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	**1,00,00,000**	**1,00,00,000**	**1,00,00,000.00**

(₹ in lacs)

ii)	Shares in the Company held by each shareholder holding more than 5 percent :			
	Particulars	**31st March, 2017**	**31st March, 2016**	**01st April, 2015**
		Number	**Number**	**Number**
	Housing Development and Infrastructure Limited - Holding Company	75,00,000	75,00,000	75,00,000
		75%	75%	75%
	PRG Projects Private Limited	25,00,000	25,00,000	25,00,000
		25%	25%	25%

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
9.	**OTHER EQUITY**			
	Retained Earnings	12.23	19.94	30.64
		12.23	**19.94**	**30.64**
10.	**CURRENT BORROWINGS:**			
	Loans from related parties	3,410.04	3,409.16	3,409.16
		3,410.04	**3,409.16**	**3,409.16**
11.	**TRADE PAYABLES (CURRENT)**			
	Micro, Small and Medium Enterprises	-	-	-
	Others	222.41	228.24	236.55
		222.41	**228.24**	**236.55**

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
12.	**OTHER CURRENT LIABILITIES**			
	(i) Revenue received in advance	1,743.92	1,776.05	1,825.22
	(ii) Others			
	Statutory dues	0.79	0.39	13.66
	Others	4,225.76	4,171.19	4,019.68
		5,970.47	**5,947.63**	**5,858.56**
13.	**CURRENT TAX LIABILITIES (NET)**			
	(i) Provision for taxation	27.70	27.70	27.70
	(ii) Less : Tax Paid	27.70	27.70	27.70
		-	**-**	**-**

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
14.	**COST OF MATERIALS CONSUMED**		
	Cost of material consumed	-	19.21
		-	**19.21**
15.	**CHANGES IN INVENTORIES OF WORK-IN-PROGRESS**		
	Opening work-in-progress	10,481.05	10,406.01
	Closing work-in-progress	10,496.54	10,481.05
		(15.49)	**(75.04)**
16.	**EMPLOYEE BENEFITS EXPENSE**		
	(i) Salaries and incentives	8.19	2.12
	(ii) Staff welfare expenses	0.07	1.32
		8.26	**3.44**
17.	**OTHER EXPENSES**		
	Advertisement and sales promotion expenses	-	5.17
	Electricity charges	2.72	7.03
	Bank Charges	0.12	0.03
	Other expenses	0.22	1.23
	Printing and stationery	-	0.95
	Security charges	1.57	11.46
	Professional fees	-	7.82
	Repairs and maintenance to other assets	0.21	2.35
	Communication expenses	1.80	6.79
	Postages and telegram expenses	0.03	0.04
	Travelling and conveyance expenses	0.81	10.94
	Payment to auditors		
	Audit fees	1.00	1.00
	Directors remuneration, commission and sitting fees	1.15	0.91
	Filing fees paid to the Registrar of Companies	0.06	0.04
	Total	**9.69**	**55.76**
	Above expenses includes Project related expenses	7.23	51.92
18.	**Earnings Per Equity Share Has Been Computed As Under:**		
	(i) Net profit after tax as per Statement of Profit and Loss	(7.70)	(10.70)
	(ii) Number of fully paid equity shares used in computing earnings per equity share		
	Basic	10,000,000	10,000,000
	Diluted	10,000,000	10,000,000
	(iii) Basic Earnings per share	(0.08)	(0.11)
	(iv) Diluted Earnings per share	(0.08)	(0.11)
	(v) Nominal value per equity share is ₹ 10/- fully paid		
19.	**CONTINGENT LIABILITIES NOT PROVIDED FOR**	Nil	Nil

(₹ in lacs)

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
20.	**CAPITAL COMMITTEMENT**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

21. Related party disclosure:

a) List of related parties with whom transactions have taken place during the current accounting year and relationship:

Holding Company

Housing Development and Infrastructure Limited

Associates

UM Architechtures and Contractors Limited

PRG Projects Private Limited

Enterprise significantly influenced by key management personnel

Not applicable

Key management personnel

Mrs. Romy Mehra Director

Mr. Gautam Mehra Director

b) Transaction with related party (₹ in Lacs)

Nature of transactions	31st March, 2017				31st March, 2016			
	Holding Company	Associates	Key Management Personnel	Total	Holding Company	Associates	Key Management Personnel	Total
Loans/advances received	-	0.82	-	0.82	-	3.54	-	3.54
Outstanding as at year end- Due from	-	74.33	-	74.33	-	73.51	-	73.51
Outstanding as at year end- Due to	2,985.77	351.13	73.14	3,410.04	2,985.77	350.25	73.14	3,409.16

c) Disclosure in respect of material transactions with related parties during the year (included in 'b' above)

(₹ in Lacs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
LOANS / ADVANCES GIVEN		
UM Architechtures and Contractors Limited	0.82	3.54
Outstanding as at year end- Due From		
UM Architechtures and Contractors Limited	74.33	73.51
Outstanding as at year end- Due to		
Housing Development And Infrastructure Limited	2,985.77	2,985.77
PRG Projects Private Limited	351.13	350.25
Mrs. Romy Mehra	73.14	73.14

22. Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

31st March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Cash and cash equivalents	0.19	0.19
Others	74.71	74.71
Financial Liabilities		
Current		
Borrowings	3,410.04	3,410.04
Trade payables	222.41	222.41

31st March, 2016	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Cash and cash equivalents	0.35	0.35
Others	74.61	74.61
Financial Liabilities		
Current		
Borrowings	3,409.16	3,409.16
Trade payables	228.24	228.24

1st April, 2015	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Cash and cash equivalents	0.25	0.25
Others	72.37	72.37
Financial Liabilities		
Current		
Borrowings	3,409.16	3,409.16
Trade payables	236.55	236.55

Carrying amount of Cash and Cash Equivalent, Other financial Assets and Trade payables as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of other financial assets and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which the employees understand their roles and obligations.

c) The Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Cash and Bank Balances**

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2017

	Due within 12 months	Due in 1 to 3 years	More than 3 years
Financial Liabilities			
Borrowings	3,410.04	-	-
Trade payables	222.41	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 years	More than 3 years
Financial Liabilities			
Borrowings	3,409.16	-	-
Trade payables	228.24	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 years	More than 3 years
Financial Liabilities			
Borrowings	3,409.16	-	-
Trade payables	236.55	-	-

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

23. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

Particulars	SBN	Other denomination notes	Total
Closing Cash in hand as on 8th November, 2016	-	0.02	0.02
Add : Permitted Receipts	-	-	-
Less : Permitted Payments	-	-	-
Less : Amount deposited in Banks	-	-	-
Closing Cash in hand as on 30th December, 2016	-	0.02	0.02

24. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

25. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

26. Authorisation of Financial Statements

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017.

27. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

28. First-time adoption of Ind-AS

The transition as at 1st April, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Optional Exemptions availed

i) Property, Plant & Equipment and Intangibles

As permitted by Ind As 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment.

B) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVTOCI

- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

B) Reconciliation between previous GAAP and Ind AS

The exercise of transition of the balances under previous GAAP to Ind AS was carried out by the Company as on 1 April 2015 in accordance with Indian Accounting Standards and after considering the principles of the said standard, there have been no change in the balances of other equity, components of Balance Sheet and Profit and Loss account as on 1 April 2015 consequently as on 31 March 2016.

As per our Report of even date attached

For **BSSG & Company**
Chartered Accountants
Firm Registration Number: 009839N

Dr. Sanjay Goyal, FCA
Partner
Membership No. 088670

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

NOTICE

To,
The Members
LASHKARIA CONSTRUCTION PRIVATE LIMITED

NOTICE is hereby given that the 17th Annual General Meeting of the Members of **LASHKARIA CONSTRUCTION PRIVATE LIMITED** will be held on Tuesday, September 26, 2017 at 1:00 P.M.(IST) at 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051, to transact the following business:

ORDINARY BUSINESS

1. **Adoption of Financial Statements**

   To receive, consider and adopt, the Audited financial statements of the Company for the financial year ended March 31, 2017 and the Report of Board of Directors' and the Auditors' thereon.

2. **Appointment of Director liable to retire by rotation**

   To appoint a Director in place of Mr. Raiees Yasin Lashkaria (DIN: 02977406), who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

3. **Appointment of Director liable to retire by rotation**

   To appoint a Director in place of Mr. Mohammed Vaseem Mohammed Aslam Lashkaria (DIN: 02977406), who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

4. **Appointment of M/s. Chetan M Pagaria & Associates, Chartered Accountant, (Firm Registration No. 136450W) as Statutory Auditors in place of Retiring Statutory Auditor**

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

   "RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Chetan M Pagaria & Associates, Chartered Accountant, (Firm Registration No. 136450W) be and is hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of 17th Annual General Meeting till the conclusion of 22nd Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and applicable taxes as may be mutually agreed by and between the Board of Directors and the Auditor.

   RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorised for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

By order of the Board of Directors

Sarang Wadhawan
Director
DIN: 00028608

Place: Mumbai
Date: May 29, 2017

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY, AS APPLICABLE.**

   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent)of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

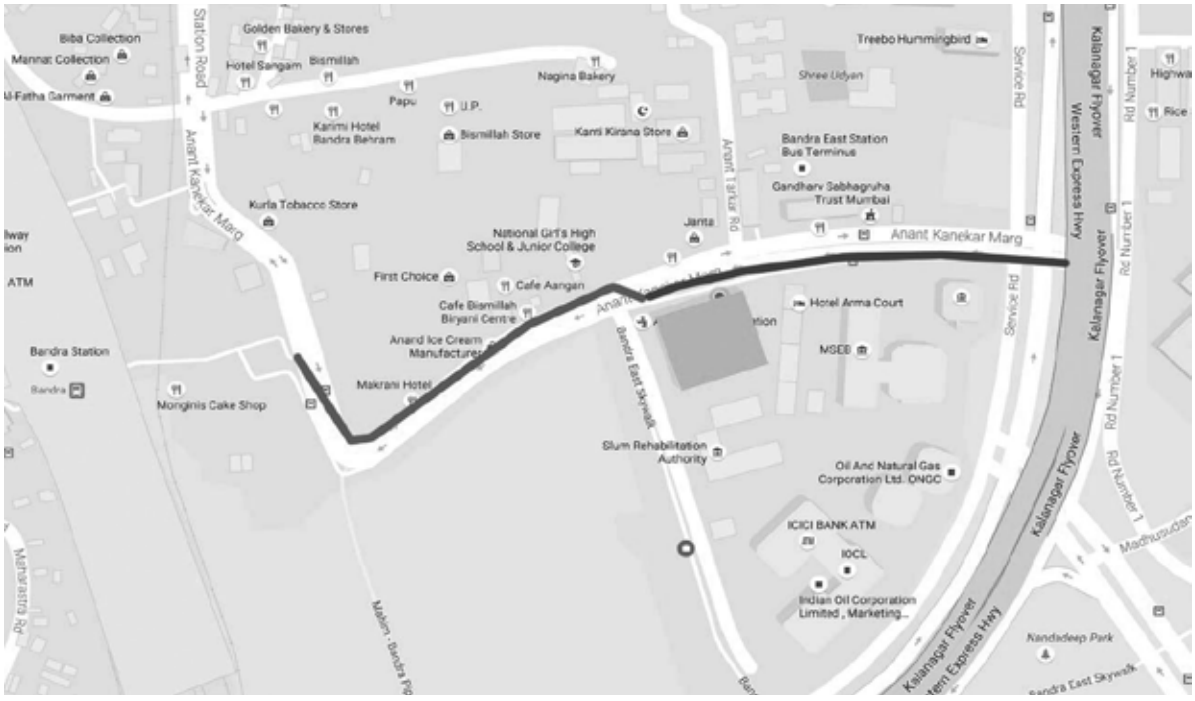
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

Venue: 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051

(Direction from Bandra Railway Station)



EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013 ("The Act"), sets out all material facts relating to Item No. 2, 3 and 4 mentioned in the accompanying Notice for convening the 17th Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mr. Raiees Yasin Lashkaria, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except, Mr. Raiees Yasin Lashkaria and his brother Mr. Aslam Yasin Lashkaria, to the extent of their shareholding interest, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval..

Item No. 3

As stipulated under Secretarial Standard-2, brief profile of Mohammed Vaseem Mohammed Aslam Lashkaria, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except, Mohammed Vaseem Mohammed Aslam Lashkaria and his brother Mohammed Arshad Lashkaria and his father Mr. Aslam Yasin Lashkaria, to the extent of their shareholding interest, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

TABLE A- BRIEF PROFILE OF APPOINTMENT / RE-APPOINTMENT OF DIRECTORS

Name of Director	**Mr. Raiees Yasin Lashkaria**	**Mr. Mohammed Vaseem Mohammed Aslam Lashkaria**
Age	47 years	30 years
Experience	Mr. Raiees Yasin Lashkaria has a rich experience of more than Fifteen years in the Real Estate Industry and Construction and Infrastructure Business.	Mr. Mohammed Vaseem Mohammed Aslam Lashkaria has a rich experience of more than Seven years in the Real Estate Industry and Construction and Infrastructure Business.
Terms and condition for Re- appointment	To be re-appointed as Non-Executive Director, liable to retire by rotation and for same, Sitting fees shall be paid as per the Section 197 of the Act and Rules there under.	To be re-appointed as Non-Executive Director, liable to retire by rotation and for same, Sitting fees shall be paid as per the Section 197 of the Act and Rules there under.
Detail of Remuneration	Nil	Nil
Date of First Appointment on board	30/09/2010	27/03/2010
Shareholding in the Company	0.00% (330 Shares)	6.16% (6,16,035 Shares)
Relationship with other director/ Manager and other KMP	Brother – Mr. Aslam Yasin Laskharia	Brother - Mohd Arshad Laskharia Father - Mr. Aslam Yasin Laskharia
Number of meetings attended during the financial year 2016-17.	1 (One)	1 (One)
Directorships of other Board	- Brightspace Realty Private Limited - Amann Infradevelopment Limited - World 7 Mediacraft Private Limited - World 7 Diagnostic Centre Private Limited	-Lashkaria Housing & Infrastructure Private Limited -Lashkaria Films Private Limited
Membership/Chairmanship of Committees of other Board	NIL	NIL

Item No. 4

Keeping in view the requirements set out in the Act, the Board of Directors of the Company have recommended appointment of M/s. Chetan M Pagaria & Associates, Chartered Accountant, (Firm Registration No. 136450W) as Statutory Auditors of the Company for the term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the twenty two Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.

M/s. Chetan M Pagaria & Associates, Chartered Accountants have consented to and confirmed that their appointment, if made, be within the limits so specified under Section 141 (3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out in Item No.4 of the Notice for approval by the members.

By order of the Board of Directors

Sarang Wadhawan
Director
DIN: 00028608

Place: Mumbai
Date: May 29, 2017

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 17th Annual Report of the Company together with the Audited Financial Statement for the Financial Year ("F.Y.") ended March 31, 2017.

BACKGROUND AND OPERATIONS

Your Company is the subsidiary of Housing Development and Infrastructure Limited and the Company is engaged into real estate development.

Project:

The Company proposed Special Township project for improvement and redevelopment on slums through Integrated and Comprehensive Development on part of land bearing C.T.C. No. 2841, 2843 and 3525 of Village Malvani.

FINANCIAL PERFORMANCE

Your Company's performance during the F.Y. ended March 31, 2017, as compared to the previous F.Y. is summarised below:

(₹ In Lacs)

Financial Results	For the year ended March 31, 2017	For the Year ended March 31, 2016
Total Revenue	-	3.24
Loss before Depriciation, Interest and Tax	(2.45)	(0.23)
Less: Depreciation	3.83	7.42
: Interest	-	-
Loss before Tax	(6.28)	(7.65)
Provision for Tax (including Deferred Tax)	0.63	16.98
Net Loss after Tax	(6.91)	(24.63)
Add: Surplus brought forward from previous year	446.38	471.01
Profit available for Appropriation	439.47	446.38
Appropriation:		
Transferred to General Reserve	-	-
Balance carried to Balance Sheet	439.47	446.38
TOTAL	439.47	446.38

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous year's figures have been restated to confirm to Ind AS.

COMPANY'S PERFORMANCE:

Your Company has earned nil revenue during the year as against ₹ 3.24 lacs in the previous year and the Company has incurred a loss of ₹ 6.91 lacs during the year as against loss of ₹ 24.63 in the previous year. The Directors are hopeful for a better performance in the upcoming years.

No material changes and commitments have occurred between the end of the F.Y. 2016-17 and the date of this report, which affect the financial position of the Company.

DIVIDEND

To conserve the resources, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL

The paid-up equity share capital of the Company as at March 31, 2017 was ₹ 1,000.00 lacs (Rupees One Thousand Lakhs Only). During the F.Y. 2016-17, there was no change in the issued, subscribed and paid up share capital of the Company.

RESERVES

Directors do not propose any transfer to any reserve for the F.Y. 2016-17.

DEPOSITS

The Company has not accepted deposit from the public, falling within the ambit of Section 73 to 76 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as Annexure 'A'.

BOARD MEETING

The Board meets at regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 4 times during the F.Y. 2016-17; on 27/05/2016, 10/09/2016, 12/12/2016 & 14/02/2017.

- ATTENDANCE BY THE DIRECTORS IN THE BOARD MEETING

The Board duly met 4 times during the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below :

Name of the Directors	Director Identification Number	Attendance		
		No of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Sarang Wadhawan	00028608	4	4	Yes
Aslam Yasin Lashkaria	00045502	4	4	Yes
Mohd Arshad Lashkaria	02928350	3	3	Yes
Raiees Yasin Lashkaria	02014247	1	1	Yes
Mohammed Vaseem Mohammed Aslam Lashkaria	02977406	1	1	Yes
Hazari Lal	06696100	4	4	Yes
Sandhya Baliga	07015987	4	4	Yes

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD

Your Company has following committees of the Board, which are in place in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination and Remuneration Committee

AUDIT COMMITTEE

Your Company has audit Committee comprising of Directors in the Board. The Committee is responsible for the review, examining and evaluating internal financial Report, Financial statements and Auditors Report; Approval of Audit plans; foresees the management and direction of the related party policies and the vigil Mechanism policies; appointment of auditors amongst other responsibilities as contained in the terms of references.

During the F.Y. 2016-17, the Audit Committee met four (4) times viz. on 27/05/2016; 10/09/2016; 12/12/2016, and 14/02/2017.

The Audit Committee comprises of Members (Directors of the Board) and attendance by the members in the Audit Committee meeting are following:

Sr. No.	Name of the Member	Number of Audit Committee Meetings	
		Held	Attended
1	Sandhya Baliga	4	4
2	Hazari Lal	4	4
3	Sarang Wadhawan	4	4

NOMINATION AND REMUNERATION COMMITTEE:

Your Company has Nomination & Remuneration Committee comprising of following Directors:

1. Mrs. Sandhya Baliga - Chairperson
2. Mr. Sarang Wadhawan - Member
3. Mr. Hazari Lal - Member

During the F.Y.2016-17, No Nomination & Remuneration Committee was held as there was no necessity to hold a meeting.

STATUTORY AUDITORS

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current Statutory Auditors, M/s. U.D. Kachare & Co., Chartered Accountants (Firm Registration No. 104513W) on completion of maximum term permitted under the said section which is due at the ensuing Annual General Meeting.

Accordingly, the Board of Directors of the Company recommended the appointment of M/s. Chetan M Pagaria & Associates, Chartered Accountant, (Firm Registration No. 136450W) as Statutory Auditors of the Company. M/s. Chetan M Pagaria & Associates will hold office for a period of five consecutive years from the conclusion of the 17th Annual General Meeting of the Company, till the conclusion of 22nd Annual General Meeting, subject to the approval of the Shareholder of the Company. The first year of audit will be of the financial year ending March 31, 2018.

EXPLANATION ON AUDITORS' REPORT

As regards the observation by the Auditor in the Auditors' Report regarding delay in payment of Statutory dues, the Company will take remedial measures to pay the same and ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers other than as stated above by Auditors in their Report dated May 29, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

MANAGERIAL REMUNERATION

As the Company has not paid any remuneration to any Directors , the Company is not required to make disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL FINANCIAL CONTROL

Your Company has in place adequate internal financial controls with reference to financial statements and that ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

Pursuant to Section 186 of the Act, particulars of the loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the F.Y. 2016-17 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Act, are not attracted and hence the disclosure in form AOC-2 is not required.

Suitable disclosures as required under Ind AS-24 have been made in Note 20 of the Notes to the financial statements.

RISK MANAGEMENT

Risk Management is an integral part of the Company's business strategy and taking that into consideration, your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board has in place a Risk Management policy to manage risk through a detailed policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

NOMINATION AND REMUNERATION POLICY

The Company has in place a policy which lays down criteria for selection and appointment of Board Members. The policy also lays down a framework in relation to remuneration of Directors, Key Managerial Personnel ("KMP") and Senior Management of the Company. The Policy also includes the criteria for determining qualifications, positive attributes and independence of Directors.

The Policy on Nomination and Remuneration of Directors and Senior Managerial Personnel is annexed to this Report.

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

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y. 2016-17.

During the F.Y. 2016-17, the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

APPRECIATION

Your Directors express their sincere thanks to the Bank, Business Associates and Government Authorities for their assistance and co-operation extended from time to time.

For and on behalf of the Board of Directors

	Sarang Wadhawan	**Aslam Yasin Lashkaria**
Place: Mumbai	**Director**	**Director**
Date: May 29, 2017	**DIN: 00028608**	**DIN: 00045502**

ANNEXURE 'A'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	U70100MH2000PTC128723
2.	Registration Date	September 15, 2000
3.	Name of the Company	Lashkaria Construction Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares, Indian Non-Government Company
5.	Address of the Registered office and contact details	102, 1st Floor, Diamond Apartment, CTS No. 198, New Link Road, Oshiwara, Mumbai – 400 102 Tel: + 91 22 6788 9000 Fax: +91 22 6788 9090 e-mail id: darshan.majmudar@hdil.in
6.	Whether listed company	No
7.	Name, Address and contact details of the Registrar and Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service (NIC 2008)	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	69.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	31,00,000	31,00,000	31.00	-	31,00,000	31,00,000	31.00	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	69,00,000	69,00,000	69.00	-	69,00,000	69,00,000	69.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**1,00,00,000**	**1,00,00,000**	**100.00**	**-**	**1,00,00,000**	**1,00,00,000**	**100.00**	**-**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-

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	
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	1,00,00,000	1,00,00,000	100.00	-	1,00,00,000	1,00,00,000	100.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.:									
i) Indian	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,00,00,000	1,00,00,000	100.00	-	1,00,00,000	1,00,00,000	100.00	-

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	69,00,000	69.00	-	69,00,000	69.00	-	-
2	Aslam Yasin Lashkaria	17,09,492	17.09	-	17,09,492	17.09	-	-
3	Arshad A. Lashkaria	6,16,035	6.16	-	6,16,035	6.16	-	-
4	Vaseem Aslam Lashkaria	6,16,035	6.16	-	6,16,035	6.16	-	-
5	Praveen A. Zahida Lashkaria	1,22,564	1.23	-	1,22,564	1.23	-	-
6	Imran Aslam Lashkaria	33,134	0.33	-	33,134	0.33	-	-
7	Azam Yasin Lashkaria	330	0.00	-	330	0.00	-	-
8	Arif Yasin Lashkaria	330	0.00	-	330	0.00	-	-
9	Raees Yasin Lashkaria	330	0.00	-	330	0.00	-	-
10	Salim Yasin Lashkaria	330	0.00	-	330	0.00	-	-
11	Rashid Yasin Lashkaria	330	0.00	-	330	0.00	-	-
12	Arshad Shafi Sayyad	330	0.00	-	330	0.00	-	-
13	Rehmat Salim Belim	330	0.00	-	330	0.00	-	-

Sr. No.	Shareholder's 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	
14	Sadiq Salim Belim	330	0.00	-	330	0.00	-	-
15	Hassam Yasin Lashkaria	100	0.00	-	100	0.00	-	-
	Total	1,00,00,000	100.00	-	1,00,00,000	100.00	-	-

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

Sr. No.	Particulars	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
	At the beginning of the year	-	-	-	-
	Date wise increase / (decrease) in Promoters Shareholding during the year specifying the reason for increase/ (decrease):	-	-	-	-
	At the end of the year	-	-	-	-

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
-	-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Sarang Wadhawan	-	-	-	-
2	Sandhya Baliga	-	-	-	-
3	Hazari Lal	-	-	-	-
4	Aslam Lashkaria	17,09,492	17.09	17,09,492	17.09
5	Raiees Lashkaria	330	0.00	330	0.00
6	Mohd Arshad Lashkaria	6,16,035	6.16	6,16,035	6.16
7	Mohammed Vaseem Mohammed Aslam Lashkaria	6,16,035	6.16	6,16,035	6.16
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Sarang Wadhawan	-	-	-	-
2	Sandhya Baliga	-	-	-	-
3	Hazari Lal	-	-	-	-
4	Aslam Lashkaria	1709492	17.09	1709492	17.09
5	Raiees Lashkaria	330	0.00	330	0.00
6	Mohd Arshad Lashkaria	616035	6.16	616035	6.16
7	Mohammed Vaseem Mohammed Aslam Lashkaria	616035	6.16	616035	6.16

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	5,668.46	-	5,668.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**5,668.46**	**-**	**5,668.46**
Change in Indebtedness during the financial year				
• Addition	-	20.00	-	20.00
• Reduction	-	-	-	-
Net Change	**-**	**-**	**-**	**-**
Indebtedness at the end of the financial year				
i) Principal Amount	-	5,688.46	-	5,688.46
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**5,688.46**	**-**	**5,688.46**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
1	**Independent Directors**	**Mrs. Sandhya Baliga**	**Mr. Hazari Lal**				
	Fee for attending Board / Committee Meetings	0.40	0.60				1.00
	Commission	-	-				-
	Others, please specify	-	-				-
	Total (1)	**0.40**	**0.60**				**1.00**
2	**Other Non-Executive Directors**	**Sarang Wadhawan**	**Aslam Lashkaria**	**Raiees Lashkaria**	**Mohd Arshad Lashkaria**	**Mohammed Vaseem Mohammed Aslam Lashkaria**	**-**
	Fee for attending Board / Committee Meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**	**-**
	Total (B) = (1+2)						**1.00**
	Ceiling as per the Act	Not Applicable as only sitting fees paid					

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Sarang Wadhawan
Director
DIN: 00028608

Aslam Yasin Lashkaria
Director
DIN: 00045502

Place: Mumbai
Date: 29th May, 2017

ANNEXURE 'B'

NOMINATION AND REMUNERATION POLICY

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 and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company.

The Board of Directors **("the Board")** of Lashkaria Construction Private Limited **("the Company")** at its Meeting held on March 14, 2015, constituted the Nomination and Remuneration Committee in compliance with the terms of the provisions of Section 178 of the Companies Act, 2013, read with Rules made there under **("the Act")** and subsequent amendments thereto from time to time.

The policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company has been formulated and approved by the Board of Directors at its Meeting held on March 14, 2015.

OBJECT AND PURPOSE

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees. The policy is framed with the objective(s):

- that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- that the remuneration to Directors, Key Managerial Personnel, and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration;
- to determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
- to carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage and
- to lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

APPLICABILITY AND GOVERNING LAW

This policy is applicable to all Directors viz. Executive, Non-Executive and Independent Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

This policy shall be governed by the Act read with Rules made thereunder, as may be in force for the time being and such other Rules / Regulations, as may be notified by MCA from time to time. Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

DEFINITIONS

In this policy unless the context otherwise requires:

"Act" shall mean the Companies Act, 2013 and the Rules and Regulations notified thereunder.

"Board of Directors" or **"Board"** in relation to the Company means the collective body of the Directors of the Company.

"Company" means Lashkaria Construction Private Limited.

"**Directors**" means Directors of the Company.

"**Independent Director**" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"**Key Managerial Personnel**" (KMP) in relation to a Company means,

i. The Chief Executive Officer, or the Managing Director or the Manager;

ii. The Company Secretary;

iii. The Whole-time Director;

iv. Chief Financial Officer and

v. Such other officer as may be prescribed under the Act.

"**Senior Management Personnel**" mean employees of the company who are members of its core management team excluding Board of Directors including the functional / vertical heads.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall have minimum three Directors as Members and out of which not less than one half shall be Independent Directors. The Nomination and Remuneration Committee comprises of the following Directors:

1)	Mrs. Sandhya Baliga	Non-Executive Independent Director	Chairperson
2)	Mr. Hazari Lal	Non-Executive Independent Director	Member
3)	Mr. Sarang Wadhawan	Non-Executive Non-Independent Director	Member

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The role of the Committee inter-alia will be the following:

- identify person who is qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performances;
- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Employees;
- devising a policy on Board diversity;
- formulation of criteria for evaluation of Independent Directors and the Board;
- ensure that the Board comprises of a balanced combination of Executive Directors and Non- executive Directors and also the Independent Directors and
- decide / approve details of fixed components and performance linked incentives along with criteria.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

(i) Appointment criteria and qualifications:

- 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 about his / her appointment;
- 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;
- 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 the Shareholders of the Company.

(ii) Term / Tenure:

- 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 year before the expiry of term;
- 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;
- No Independent Director shall hold office for more than two consecutive terms, 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 and
- 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.

(iii) Evaluation:

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

(iv) Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations, 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.

(v) 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.

REMUNERATION FOR DIRECTOR, KMP AND SENIOR MANAGEMENT

The general features of Remuneration for Director, KMP and Senior Management Personnel are as under:

- The remuneration / compensation / commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director and Managing Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act and the rules made thereunder.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.
- This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board Meeting minutes.

i. Remuneration to Whole-time / Executive / Managing Director

Fixed pay:

The Whole-time Director, Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break- up of the pay scale and quantum of perquisites including, employer's contribution to Provident and Pension Fund, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director / Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration:

If any Whole-time Director/ Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior approval of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

ii. Remuneration / Commission to Non-Executive / Independent Director

Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

Sitting Fees:

The Non-Executive / Independent Director may receive remuneration by way of fees for attending Meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 10,000/- per Meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Further the boarding and lodging expenses shall be reimbursed to the Directors.

Commission:

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 3% of the profits of the Company computed as per the applicable provisions of the Act, if there are no Managing or Whole-Time Director of the Company.

In case, where the Company has appointed Managing or Whole-Time Director then Commission shall be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

REVIEW

This Policy shall be reviewed by the Board of Directors on its own and / or as per the recommendations of the Nomination and Remuneration Committee, as and when deemed fit.

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INDEPENDENT AUDITORS' REPORT

To the Members of **LASHKARIA CONSTRUCTION PRIVATE LIMITED**,

Report on the Financial Statements

We have audited the accompanying Financial Statements of **LASHKARIA CONSTRUCTION PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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 of the financial statement 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. 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.

a) In the case of the Balance sheet, of the state of affairs of the company as at 31, March 2017

b) In the case of the statement of profit and loss, of the loss for the year ended on that date; and

c) In the case of the cash flow statement, of the cash flow for the year ended on that date

Report on Other Legal And Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in the paragraph 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 purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to adequacy of the internal financial controls over financial reporting of the company refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, if any, of pending litigation as at 31st March, 2017 on the financial position in its financial statements - Refer to Notes 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on Audit Procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the management. Refer Note no 25 to the financial statements.

For **U. D. Kachare & Co.**
Chartered Accountants
Firm Registration No: 104513W

Uday D. Kachare
Proprietor
Membership No. 038046

Place : Mumbai
Date : May 27, 2017

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Report on the Internal Financial Control Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Lashkaria Construction Private Limited ('the Company') as of 31st March 2017 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provides reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the management and directors of the Company; and

(3) provides reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **U. D. Kachare & Co.**
Chartered Accountants
Firm Registration No: 104513W

Uday D. Kachare
Proprietor
Membership No. 038046

Place : Mumbai
Date : May 27, 2017

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Report on Companies (Auditor's Report) Order, 2017 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of M/s Lashkaria Construction Private Limited.

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

(b) All the fixed assets were physically verified by the management during the year. We are informed that no material discrepancies were noticed on such verification.

(ii) According to the information and explanations given to us, the inventories included the amount paid for the projects but approval from the government is still ending and MATERIALITY of such inventoris depend on such approval. The inventories have been physically verified at reasonable intervals by the management and no material discrepancies were noticed on such verification.

(iii) The Company has granted unsecured loans to three parties covered in register maintained under Section 189 of the Companies Act, 2013.

(a) In respect of the aforesaid loans, the terms and conditions under which such loans granted are not prejudicial to the Company's Interest.

(b) The aforesaid loans are payable on demand and given on interest free. Hence repayment of principal loan and interest thereon are not applicable.

(c) In respect of aforesaid loan there is no overdue amount as loan are repayable on demand.

(iv) In our opinion, and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act,2013 in respect of the loans and investments made, and guarantees and security provided by it.

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2017 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The aggregate value of turnover of the Company during the immediately preceding financial year did not exceed rupees thirty five crores and therefore the provisions of Companies (Cost Accounting Records) Rules, 2014 notified by the Central Government under Section 148 of the Act are not applicable to the Company for the current financial year.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed amount of statutory dues in respect of Provident Fund, Income-Tax, Sales Tax, Service-tax, VAT, cess and other material applicable statutory dues have generally been regularly deposited with the appropriate authorities and as on 31st March, 2017, no such dues were outstanding for a period of more than six months from the date they became payable except for the following.

Nature of dues (including interest)	Amount in ₹
Tax Deducted at Source	₹ 13,120/-
Wealth Tax	₹ 13,600/-

(b) According to the information and explanations given to us, there are no material dues of Service Tax, Provident Fund, which have not been deposited with the appropriate authorities on account of any dispute except following Income-tax demand:

Name of the statute	Nature of dues	Amount (in ₹)	Period to which the amount relates	Forum where Dispute is pending
Income Tax Act,1961	Income Tax	₹ 2,73,59,300	Assessment Year 2011-12	ITAT, Mumbai
MVAT ACT, 2002	Sales Tax	₹ 81,07,559	Assessment Year 2008-09	Dy Comm. of Sales Tax Mumbai

(viii) The Company does not have any dues to Banks, Financial Institutions or Debenture Holders and hence the provisions under clause (viii) of the paragraph 3 of the Order are not applicable to the Company.

(ix) The Company has not raised money through initial public offers or further public offers or debt instruments or term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) The Company has not paid managerial remuneration, hence reporting under clause 3 (xi) of the order is not applicable.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and section 188 of the of the Act wherever applicable and the details have been disclosed in the Financial Statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules,2014.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable to the Company.

(xv) According to the information and explanation given to us and based on our examination of the records of the Company, during the year the Company has not entered into any non-cash transactions with its Directors or person connected to Directors and accordingly paragraph 3(xv) of the Order is not applicable.

(ivi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India 1934 therefore, Clause 3(xvi) of the order is not applicable to the Company.

For **U. D. KACHARE & CO.**
Chartered Accountants
Firm Registration No.104513W

Uday D. Kachare
Proprietor
Membership No. 038046

Place: Mumbai
Date : May 27, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	1st April, 2015
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	2.47	6.29	13.71
(b) Financial Assets				
Investments	3	1,544.00	1,544.00	1,544.00
(c) Deferred tax assets (net)	4	20.17	20.81	18.33
(d) Other non-current assets	5	4,069.77	4,069.77	4,076.73
Current assets				
(a) Inventories	6	602.33	591.18	591.18
(b) Financial Assets				
(i) Investments	7	793.28	793.28	793.28
(ii) Trade receivables	8	44.88	44.88	44.88
(iii) Cash and cash equivalents	9	22.81	28.04	32.31
(iv) Bank balances other than (iii) above	10	-	-	5.00
(v) Others	11	33.97	24.28	28.03
Total Assets		**7,133.68**	**7,122.53**	**7,147.45**
EQUITY AND LIABILITIES				
(a) Equity Share capital	12	1,000.00	1,000.00	1,000.00
(b) Other Equity	13	439.47	446.38	471.01
LIABILITIES				
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	5,688.46	5,668.46	5,668.46
(ii) Trade payables	15	-	3.25	6.44
(b) Other current liabilities	16	5.75	4.44	1.54
Total Equity and Liabilities		**7,133.68**	**7,122.53**	**7,147.45**

As per our Report of even date attached

For **U. D. KACHARE & CO.**
Chartered Accountants
Firm Registration Number: 104513W

Uday D. Kachare
(Proprietor)
Membership No. 038046

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Sandhya Baliga
(Director)

Hazari Lal
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	**Revenue From Operations**	-	-	-
II	Other Income	17	-	3.23
III	**Total Income (I+II)**		**-**	**3.23**
IV	**Expenses:**			
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	18	(11.15)	-
	Depreciation and amortization expense	2	3.82	7.42
	Other expenses	19	13.60	3.47
	Total expenses (IV)		**6.27**	**10.89**
V	(Loss) before exceptional items and tax (III- IV)		(6.27)	(7.66)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(6.27)	(7.66)
VIII	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		0.64	(2.48)
	(3) Income tax related to earlier years		-	19.45
			0.64	16.97
IX	**(Loss) for the period (VII+VIII)**		**(6.91)**	**(24.63)**
X	**Other Comprehensive Income**			
	A Items that will not be reclassified to profit or loss		-	-
	B Items that will be reclassified to profit or loss		-	-
			-	-
XI	**Total Comprehensive Income for the year (IX+X) (Comprising (Loss) and Other Comprehensive Income for the year)**		**(6.91)**	**(24.63)**
XII	Earnings per equity share (for continuing operation):			
	(1) Basic		(0.07)	(0.25)
	(2) Diluted		(0.07)	(0.25)
	Accounting Policies	1		

As per our Report of even date attached

For **U. D. KACHARE & CO.**
Chartered Accountants
Firm Registration Number: 104513W

Uday D. Kachare
(Proprietor)
Membership No. 038046

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Sandhya Baliga
(Director)

Hazari Lal
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

Particulars	31st March, 2017		31st March, 2016	
A. Cash flow from operating activities				
Net profit before tax		(6.27)		(7.66)
Adjustments for :				
Depreciation	3.82		7.42	
Interest received	-	3.82	(0.37)	7.05
Operating profit before working capital changes		(2.45)		(0.61)
Movements in working capital :				
Decrease/(Increase) in inventory	(11.15)		-	
Decrease/(Increase) in other financial assets	(9.69)		3.75	
Decrease/(Increase) in other non-Current Assets	-		6.96	
Increase/(Decrease) in trade and other payables	(1.94)		(0.29)	
Net movement in working capital		(22.78)		10.42
Cash generated from operations		(25.23)		9.81
Less : Direct taxes paid (net of refunds)		-		19.45
Net cash from operating activities		(25.23)		(9.64)
B. Cash flows from investing activities				
Interest received	-		0.37	
Net cash from investing activities		-		0.37
C. Cash flows from financing activities				
Proceeds from borrowings	20.00		-	
Net cash used in financing activities		20.00		-
Net increase in cash and cash equivalents (A + B + C)		**(5.23)**		**(9.27)**
Cash and cash equivalents at the beginning of the year		28.04		37.31
Cash and cash equivalents at the end of the year		**22.81**		**28.04**
Components of cash and cash equivalents as at		**31-Mar-2017**		**31-Mar-2016**
Cash on hand		14.87		5.19
With banks - On Current account		7.94		22.85
		22.81		**28.04**

Notes:

Figures in the bracket indicate outflow.

As per our Report of even date attached

For **U. D. KACHARE & CO.**
Chartered Accountants
Firm Registration Number: 104513W

Uday D. Kachare
(Proprietor)
Membership No. 038046

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Sandhya Baliga
(Director)

Hazari Lal
(Director)

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	1,000.00	1,000.00
Change in Equity Share capital during the year	-	-
Balance at the end of the year	**1,000.00**	**1,000.00**

B. Other Equity

Particulars	Reserves & Surplus Retained Earnings	Total Equity
As at 1st April, 2015	471.01	471.01
Profit for the year	(24.63)	(24.63)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	**(24.63)**	**(24.63)**
Contributions by and distributions to owners		
Transfer to General Reserve	-	-
Balance as at 31st March, 2016	**446.38**	**446.38**
Profit for the year	(6.91)	(6.91)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	**(6.91)**	**(6.91)**
Contributions by and distributions to owners		
Transfer to General Reserve	-	-
Balance as at 31st March, 2017	**439.47**	**439.47**

As per our Report of even date attached

For **U. D. KACHARE & CO.**
Chartered Accountants
Firm Registration Number: 104513W

Uday D. Kachare
(Proprietor)
Membership No. 038046

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Sandhya Baliga
(Director)

Hazari Lal
(Director)

NOTES FORMING PART OF FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Lashkaria Construction Private Limited ("LCPL") is engaged primarily in the business of real estate construction, development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at 102, Diamond Apartment, Near Air India Building, New Link Road, Jogeshwari (West), Mumbai - 400 102.

1.1 SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation:

i) Statement of compliance with Ind AS:

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 ('Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 30.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention:

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition:

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- **Unit in real estate: -**

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

ii) Interest: -

- Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.

iii) Dividends: -

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

iv) Share of profit from joint ventures:-

Share of profit/(loss) from partnership firms is accounted for in respect of the financial year ending on or before the Balance Sheet date.

v) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company has both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognised in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & Equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

I) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

- **Equity investments**

  The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

  In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available.

The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

(₹ in Lacs)

	Particulars	Furniture and Fixtures	Vehicles	Office Equipments	Total
2.	**PROPERTY, PLANT AND EQUIPMENT**				
	Cost				
	At 1st April, 2015	0.20	13.30	0.21	13.71
	Addition	-	-	-	-
	At 31st March, 2016	**0.20**	**13.30**	**0.21**	**13.71**
	Addition	-	-	-	-
	At 31st March, 2017	**0.20**	**13.30**	**0.21**	**13.71**
	Depreciation				
	At 1st April, 2015	-	-	-	-
	Depreciation charge for the year	0.06	7.15	0.21	7.42
	At 31st March, 2016	**0.06**	**7.15**	**0.21**	**7.42**
	Depreciation charge for the year	0.04	3.78	-	3.82
	At 31st March, 2017	**0.06**	**7.15**	**0.21**	**7.42**
	Net book value				
	At 1st Apr, 2015	**0.20**	**13.30**	**0.21**	**13.71**
	At 31st Mar, 2016	**0.14**	**6.15**	**-**	**6.29**
	At 31st Mar, 2017	**0.10**	**2.37**	**-**	**2.47**

(₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
3.	**INVESTMENTS (NON CURRENT)**			
	Investments in Preference Shares			
	Lashkaria Housing and Infrastructure Private Limited			
	15,440 (previous year 15,440) 10% Redeemable Non Cumulative Preference shares of ₹ 10/- each fully paid	1,544.00	1,544.00	1,544.00
	Total	**1,544.00**	**1,544.00**	**1,544.00**
4.	**DEFERRED TAX ASSETS (NET)**			
	Assets			
	Related to fixed assets	9.31	9.91	9.70
	Unabsorbed Depriciation	9.76	8.90	7.07
	Unabsorbed Business Losses	1.10	2.00	1.56
		20.17	**20.81**	**18.33**

	Particulars	Balance as at 31st Mar, 2016	Movement during the year		Balance as at 31st Mar, 2017
			Recognised in Profit & Loss	Recognised in Equity	
4.1	**Movement in Deferred Tax Balances**				
	Property, Plant & Equipment	9.91	0.60	-	9.31
	Unabsorbed Depriciation	8.90	(0.86)	-	9.76
	Unabsorbed Business Losses	2.00	0.90	-	1.10
		20.81	**0.64**	**-**	**20.17**

	Particulars	Balance as at 1st April, 2015	Movement during the year		Balance as at 31st Mar, 2016
			Recognised in Profit & Loss	Recognised in Equity	
4.2	**Movement in Deferred Tax Balances**				
	Property, Plant & Equipment	9.70	(0.21)		9.91
	Unabsorbed Depriciation	7.07	(1.83)		8.90
	Unabsorbed Business Losses	1.56	(0.44)		2.00
		18.33	**(2.48)**	**-**	**20.81**

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
5.	**OTHER NON-CURRENT ASSETS**			
	Advances to related parties	23.82	23.82	25.82
	Other advances	4,045.00	4,045.00	4,050.00
	Income tax refund receivable	0.95	0.95	0.91
	Total	**4,069.77**	**4,069.77**	**4,076.73**
6.	**INVENTORIES:**			
	Work-in-progress	602.33	591.18	591.18
		602.33	**591.18**	**591.18**
7.	**CURRENT INVESTMENTS**			
	Investments in partnership firms			
	Lashkaria Housing and Infrastructure Private Limited	793.28	793.28	793.28
	(Share of profit- 10%)			
	Total	**793.28**	**793.28**	**793.28**

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
8.	**TRADE RECEIVABLES:**			
	Unsecured considered good	44.88	44.88	44.88
		44.88	**44.88**	**44.88**
9.	**Cash and cash equivalents**			
	(i) Balances with Banks (of the nature of cash and cash equivalents);			
	Current accounts	14.87	5.19	8.27
	(ii) Cash on hand	7.94	22.85	24.04
		22.81	**28.04**	**32.31**
10.	**BANK BALANCES**			
	In Fixed Deposit with less than a year	-	-	5.00
	(for Earnest money deposit of ₹ 5 Lacs with Public work Department.)	**-**	**-**	**5.00**
11.	**Others**			
	Payment of Indirect Tax	33.97	24.28	27.00
	Interest accrued on fixed deposits	-	-	1.03
		33.97	**24.28**	**28.03**
12.	**SHARE CAPITAL**			
	Authorised			
	1,00,00,000 (previous year 1,00,00,000) Equity Share of ₹ 10/- each	**1,000.00**	**1,000.00**	**1,000.00**
	Issued, Subscribed and Paid Up			
	1,00,00,000 (previous year 1,00,00,000) Equity Shares of ₹ 10/- each fully paid-up	1,000.00	1,000.00	1,000.00
	(Of the above 30,40,000 equity shares of ₹ 10/- each were allotted as fully paid up bonus shares by way of capitalisation of General Reserve)			
	Total	**1,000.00**	**1,000.00**	**1,000.00**

Terms / rights attached to shares :

The Company has only one class of equity share having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

i) Reconciliation of the number of shares outstanding :

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
	Number	Number	Number
Shares outstanding at the beginning of the year	1,00,00,000	1,00,00,000	1,00,00,000
Shares Issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	**1,00,00,000**	**1,00,00,000**	**1,00,00,000**

ii) Shares in the Company held by each shareholder holding more than 5 percent :

Particulars	No. % held	No. % held	No. % held
Housing Development and Infrastructure Limited (Holding Company)	69,00,000 69.00%	69,00,000 69.00%	69,00,000 69.00%
Mohd. Aslam Yasin Lashkaria	17,09,492 17.09%	17,09,492 17.09%	17,09,492 17.09%
Mohd. Arshad Aslam Lashkaria	6,16,035 6.16%	6,16,035 6.16%	6,16,035 6.16%
Mohd. Vaseem Aslam Lashkaria	6,16,035 6.16%	6,16,035 6.16%	6,16,035 6.16%

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
13.	**OTHER EQUITY**			
	General Reserves	-	-	-
	Retained Earnings	439.47	446.38	471.01
		439.47	**446.38**	**471.01**
14.	**CURRENT BORROWINGS:**			
	Loans from related parties	5,688.46	5,668.46	5,668.46
	(The loan received is interest free and repayable on demand)	**5,688.46**	**5,668.46**	**5,668.46**
15.	**TRADE PAYABLES (CURRENT)**			
	Micro, Small and Medium Enterprises	-	-	-
	Others	-	3.25	6.44
		-	**3.25**	**6.44**

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
16.	**OTHER CURRENT LIABILITIES**			
	Statutory dues	0.46	0.25	0.08
	Others	5.29	4.19	1.46
		5.75	**4.44**	**1.54**

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
17.	**OTHER INCOME**		
	Interest received	-	0.37
	Miscellaneous income	-	2.86
		-	**3.23**

(₹ in lacs)

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
18.	**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**		
	Opening work-in-progress	591.18	591.18
	Closing work-in-progress	602.33	591.18
		(11.15)	**-**
19.	**OTHER EXPENSES**		
	Bank Charges	0.01	0.01
	Other expenses	11.55	0.40
	Legal & Professional fees	0.03	0.35
	Rates and taxes	0.03	0.03
	Remuneration to auditors		
	Audit fees	0.82	0.80
	Taxation matters	0.12	0.98
	Directors remuneration, commission and sitting fees(Refer Note 19.01)	1.00	0.85
	Filing fees paid to the Registrar of Companies	0.04	0.05
	Total	**13.60**	**3.47**
	Above expenses includes Project related expenses	11.15	-
19.1	**MANAGERIAL REMUNERATION**		
	Director's Sitting fees	1.00	0.85
	Total	**1.00**	**0.85**
20.	**Earnings Per Equity Share Has Been Computed As Under:**		
(a)	Net profit after tax as per Statement of Profit and Loss	(6.91)	(24.63)
	(Net Profit attributable to Equity Shareholders)		
(b)	Number of fully paid equity shares used in computing earnings per equity share	10,000,000	10,000,000
	Basic	(0.07)	(0.25)
	Diluted	(0.07)	(0.25)
(c)	Nominal value per equity share is ₹ 10/- fully paid		

21. CONTINGENT LIABILITIES NOT PROVIDED FOR

In respect of pending VAT Assessment for the year 2010-11 to 2015-16, the liabilities of VAT Tax including for penalty / interest has remained to be ascertained. However, according to information and explanations given to us, the following dues of VAT, has not been provided by the Company on account of disputes.

Name of the statute	Nature of dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where Dispute is pending
MVAT Act, 2002	Sales Tax	₹ 81,08 Lacs	Assessment Year 2008-09	Dy Comm. of Sales Tax Mumbai

22. CAPITAL COMMITMENT

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

23. Related party disclosure:

a) List of related parties with whom transactions have taken place during the current accounting year and relationship:

Holding Company

Housing Development and Infrastructure Limited

Joint Venture

Lashkaria Housing and Infrastructure Private Ltd

Enterprise significantly influenced by key management personnel

Global Construction
Shabnam Associates
Satyam Property Developers
Perfect Construction

Key management personnel

Name

Aslam Y. Lashkaria

b) Transaction with related party (₹ in Lacs)

Nature of transactions	31st March, 2017				31st March, 2016			
	Holding Company	Enterprises influenced by Key Management Personnel	Joint Venture	Total	Holding Company	Enterprises influenced by Key Management Personnel	Joint Venture	Total
Loans/advances received	-	20.00	-	20.00	-	2.00	-	2.00
Outstanding as at year end - Due to	5,668.46	20.00	-	5,688.46	5,668.46	-	-	5,668.46
Outstanding as at year end - Due from	-	23.82	793.28	817.10	-	23.82	793.28	817.10

c) Disclosure in respect of material transactions with related parties during the year

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
LOANS/ADVANCES RECEIVED		
Shabnam Associates	-	2.00
Lashkaria Housing and Infrastructure Private Ltd	10.00	-
Perfect Construction	10.00	-
	20.00	**2.00**
OUTSTANDING AS AT YEAR END- DUE TO		
Loans:		
Housing Development and Infrastructure Limited	5,668.46	5,668.46
Lashkaria Housing and Infrastructure Private Ltd	10.00	-
Perfect Construction	10.00	-
	5,688.46	5,668.46
Outstanding as at year end- Due from		
Advances:		
Global Construction	10.00	10.00
Satyam Property Developers	1.32	1.32
Shabnam Associates	12.50	12.50
	23.82	**23.82**
Investment:		
Lashkaria Housing and Infrastructure Private Ltd	793.28	793.28

24. Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

31st March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non Current		
Investments		
Investment in Preference Shares	1,544.00	1,544.00
Current		
Investments	793.28	793.28
Trade receivables	44.88	44.88
Cash and cash equivalents	22.81	22.81
Others	33.97	33.97
Financial Liabilities		
Current		
Borrowings	5,688.46	5,688.46

31st March, 2016	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non Current		
Investments		
Investment in Preference Shares	1,544.00	1,544.00
Current		
Investments	793.28	793.28
Trade receivables	44.88	44.88
Cash and cash equivalents	28.04	28.04
Others	24.28	24.28
Financial Liabilities		
Current		
Borrowings	5,668.46	5,668.46
Trade payables	3.25	3.25

1st April, 2015	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Non Current		
Investments		
Investment in Preference Shares	1,544.00	1,544.00
Current		
Investments	793.28	793.28
Trade receivables	44.88	44.88
Cash and cash equivalents	32.31	32.31
Bank balances	5.00	5.00
Others	28.03	28.03
Financial Liabilities		
Current		
Borrowings	5,668.46	5,668.46
Trade payables	6.44	6.44

Carrying amount of Investment, Trade Receivables, Cash and Cash Equivalent, Bank balances, Other financial Assets and Trade payables as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of bank deposits, other financial assets and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

c) The Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Trade Receivables**

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's Credit risk in this respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does no thave any significant concentration of credit risk.

The ageing of trade receivables is as follows:

	31st March, 2017	31st March, 2016	1st April, 2015
Trade Receivables (Unsecured)			
Over six months	44.88	44.88	44.88
Less than six months	-	-	-
	44.88	44.88	44.88

The amounts reflected in the table above are not impaired as on the reporting date.

- **Investment in Debt securities, Loans to Related Parties and Deposits**

The Company has investments in non-convertible preference shares, loans to related parties and project deposits. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

  The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2017

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	5,688.46	-	-
Trade payables	-	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	5,668.46	-	-
Trade payables	3.25	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	5,668.46	-	-
Trade payables	6.44	-	-

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

25. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

Particulars	SBN	Other denomination notes	Total
Closing cash in hand as on 8th November 2016	-	10.18	10.18
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	(1.76)	(1.76)
(-) Amount Deposited in Banks	-	-	-
(+) Amount withdrawn from Banks	-	-	-
Closing cash in hand as on 30th December 2016	-	8.43	8.43

26. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

27. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

28. Authorisation Of Financial Statements

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017.

29. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

30. First-time adoption of Ind-AS

The transition as at April 1, 2015 to Ind AS was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Optional Exemptions availed

i) Property, Plant & Equipment and Intangibles

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment.

B) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates, wherever applicable, for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVTOCI
- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

C) Reconciliation between previous GAAP and Ind AS

The exercise of transition of the balances under previous GAAP to Ind AS was carried out by the Company as on 1 April 2015 in accordance with Indian Accounting Standards and after considering the principles of the said standard, there have been no change in the balances of other equity, components of Balance Sheet and Profit and Loss account as on 1 April 2015 consequently as on 31 March 2016.

As per our Report of even date attached

For **U. D. KACHARE & CO.**
Chartered Accountants
Firm Registration Number: 104513W

Uday D. Kachare
(Proprietor)
Membership No. 038046

Place : Mumbai
Date : May 29, 2017

For and on behalf of the Board of Directors

Sarang Wadhawan
(Director)

Sandhya Baliga
(Director)

Hazari Lal
(Director)

NOTICE

NOTICE is hereby given that the 15th Annual General Meeting of the Members of **MAZDA ESTATES PRIVATE LIMITED** will be held on September 27, 2017, Wednesday, at 12:00 P.M at Registered Office of the Company situated at 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051, to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of Financial Statements:

To receive, consider and adopt, the Audited financial statements of the Company for the financial year ended March 31, 2017 and the Report of Board of Directors' and the Auditors' thereon.

Item No. 2: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Deepak Shirke (DIN: 07108915), who retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Item No. 3: Appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors in place of Retiring Statutory Auditor:

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

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 ("The Act"), if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) be and is hereby appointed as the Statutory Auditors of the Company, and to hold the office from the conclusion of this Annual General Meeting untill the conclusion of 20th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and applicable taxes as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

By order of the Board of Directors

Director
(Venkatavarathan Iyengar)
DIN: 00418374

Place: Mumbai
Date: May 29, 2017

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY, AS APPLICABLE.**

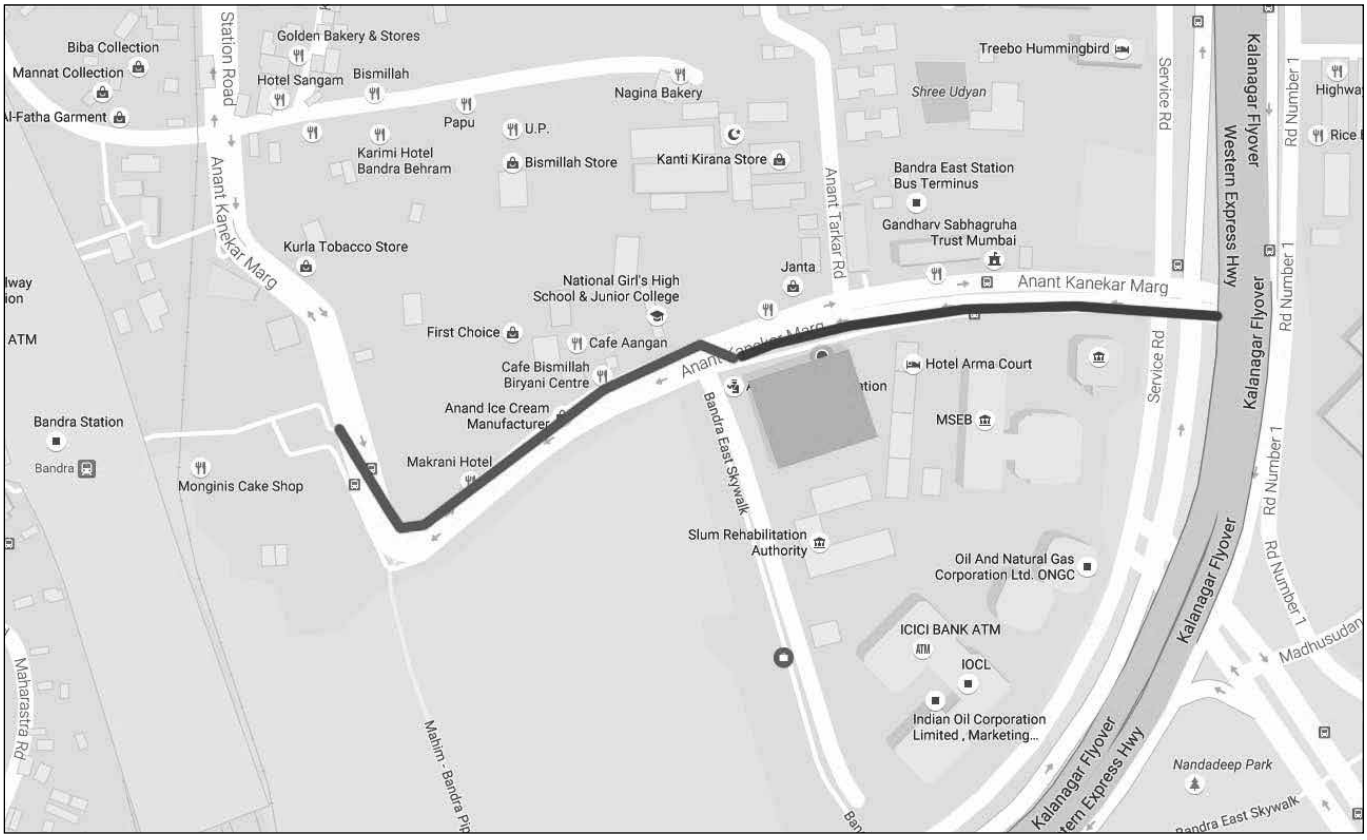
   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

Venue: 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051)
(Directions from Bandra Railway Station)



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

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013 ("The Act"), sets out all material facts relating to item(s) mentioned in the accompanying Notice for convening the 15th Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mr. Deepak Shirke(holding DIN : 07108915), including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except Mr. Deepak Shirke and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors /their relatives / Key Managerial Personnel of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

TABLE A- BRIEF PROFILE OF APPOINTMENT OR RE- APPOINTMENT DIRECTORS

Name of the Director	Mr. Deepak Shirke
Age	36 years
Qualification	Commerce Graduate
Experience	He has a rich experience of more than Seventeen years in the Real Estate Industry.
Terms and condition for Re- appointment	Appointed as Non-Executive Director, liable to retire by rotation and Sitting fees shall be paid as per the Section 197 of the Act and rules thereunder.
Detail of Remuneration	Nil
Date of First Appointment on board	March 14, 2015
Shareholding in the Company	NIL
Relationship with other director/Manager and other KMP	None
Number of meetings attended during the financial year 2016-17.	4 (four)
Directorships of other Board	- HDIL Commercial Properties Private Limited - Sunshine Communication Private Limited - Excel Arcade Private Limited - HDIL Securities Private Limited - Ravijyot Finance And Leasing Private Limited - HDIL Financial Services Private Limited - Suansa Hospitality Services Private Limited - Teknopoint Trading Company Private Limited - Dreams The Mall Company Limited - Technocraft Media Private Limited. - Privilege Distilleries and Breweries Private Limited - Privilege Breweries Private Limited - Microgate Trading Company Private Limited
Membership/Chairmanship of Committees of other Board	NIL

Item No. 3

Keeping in view the requirements set out in the Act, the Board of Directors of the Company have recommended appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company for the term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 20th Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.

M/s. Rajeswari & Associates, Chartered Accountants have consented to and confirmed that their appointment, if made, be within the limits so specified under Section 141 (3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out in Item No. 3 of the Notice for approval by the members.

By order of the Board of Directors

Director
(Venkatavarathan Iyengar)
DIN: 00418374

Place: Mumbai
Date: May 29, 2017

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 15th Annual Report of the Company together with the Audited Financial Statement for the Financial Year ("F.Y.") ended March 31, 2017.

BACKGROUND AND OPERATIONS

Your Company is a wholly owned subsidiary of Housing Development and Infrastructure Limited and the Company is engaged into real estate development.

FINANCIAL PERFORMANCE

Your Company's performance during the F.Y. ended March 31, 2017, as compared to the previous F.Y. is summarised below:

(₹ *In Lacs*)

Particulars	For the year ended March 31, 2017	For the Year ended March 31, 2016
Total Revenue	-	-
Loss before Depriciation, Interest and Tax	(0.31)	(0.40)
Less : Depreciation	-	-
: Interest	-	-
Loss before Tax	**(0.31)**	**(0.40)**
Provision for Tax (including Deferred Tax)	-	-
Net Loss after Tax	**(0.31)**	**(0.40)**
Add: Surplus brought forward from previous year	(3.09)	(2.70)
Profit available for Appropriation	(3.40)	(3.10)
Appropriation:		
Transferred to General Reserve	-	-
Balance carried to Balance Sheet	**15.69**	**14.40**
TOTAL	**(3.40)**	**(3.10)**

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous year's figures have been restated to confirm to Ind AS.

COMPANY'S PERFORMANCE:

Your Company has incurred Loss of ₹ 0.31 lacs during the year as against Loss of ₹ 0.40 lacs in the previous year. The Directors are hopeful for a better performance in the upcoming years.

No material changes and commitments have occurred between the end of the F.Y. 2016-17 and the date of this report, which affect the financial position of the Company.

DIVIDEND:

In view of losses for the year, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL:

The paid-up equity share capital of the Company as at March 31, 2017 was ₹ 41.00 lakhs (Rupees Forty One Lakhs Only). During the F.Y. 2016-17, there was no change in the issued, subscribed and paid up share capital of the Company.

RESERVES:

In view of losses for the year, no amount has been transferred to reserves.

DEPOSITS:

The Company has not accepted deposit from the public, falling within the ambit of Section 73 to 76 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as **Annexure 'A'**.

BOARD OF DIRECTORS:

As on 31st March, 2017, your Company has three Directors in the Board:

i. Mr. Minesh Shah

ii. Mr. Venkatavarathan Iyengar

iii. Mr. Deepak Shirke

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. Minesh Shah (DIN : 00267842), Director of the Company is liable to Retire by Rotation at the ensuing Annual General Meeting (**"AGM"**) of the Company and being eligible offers himself for re-appointment.

BOARD MEETING:

The Board meets at regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 4 times during the F.Y. 2016-17; on **27/05/2016, 09/09/2016, 12/12/2016 & 14/02/2017**.

- Attendance by the Directors in the Board Meeting

The Board duly met 4 times during the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below :

Name of Director	Director Identification Number	Attendance		
		No of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Mr. Minesh Shah	00267842	4	4	Yes
Mr. Venkatavarathan Iyengar	00418374	4	4	Yes
Mr. Deepak Shirke	07108915	4	4	Yes

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) In the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under schedule III to the Act, have been followed and there are no material departures from the same;

b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at march 31, 2017 and of the loss of the company for the year ended on that date;

c) The directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) The directors have prepared the annual accounts on a going concern basis and

e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS:

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current Statutory Auditors, M/s. Thar & Co., Chartered Accountants (Firm Registration No. 110958W) on completion of maximum term permitted under the said section which is due at the ensuing Annual General Meeting.

Accordingly, the Board of Directors of the Company recommended the appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company. M/s. Rajeswari & Associates will hold office for a period of five consecutive years from the conclusion of this Annual General Meeting of the Company, till the conclusion of 20th Annual General Meeting, subject to the approval of the Shareholder of the Company. The first year of audit will be of the financial year ending March 31, 2018.

EXPLANATION ON AUDITORS' REPORT:

As regards the observation by the Auditor in the Auditors' Report regarding delay in payment of Statutory dues, the Company will take remedial measures to pay the same and ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers other than as stated above by Auditors in their Report dated May 29, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial controls with reference to financial statements and that ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Pursuant to Section 186 of the Act, particulars of the loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS:

During the F.Y. 2016-17, there were no related party transactions.

RISK MANAGEMENT:

Risk Management is an integral part of the Company's business strategy and taking that into consideration, your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board has in place a Risk Management policy to manage risk through a detailed policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y. 2016-17.

During the F.Y. 2016-17, the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

APPRECIATION:

Your Directors express their sincere thanks to the Bank, Business Associates and Government Authorities for their assistance and co-operation extended from time to time.

For and on behalf of the Board of Directors

	Director	**Director**
Place: Mumbai	(Venkatavarathan Iyengar)	(Mr. Deepak Shirke)
Date: May 29, 2017	**DIN: 00418374**	**DIN: 07108915**

ANNEXURE 'A'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2017

(PURSUANT TO SECTION 92 (3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANY (MANAGEMENT & ADMINISTRATION) RULES, 2014)

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	U70100MH2004PTC136339
2.	Registration Date	September 29, 2004
3.	Name of the Company	Mazda Estates Private Limited
4.	Category/Sub-category of the Company	Company Limited by Shares, Indian Non-Government Company
5.	Address of the Registered office and contact details	3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051 Tel: + 91 22 6788 7000 Fax: +91 22 6788 9090 e-mail id: darshan.majmudar@hdil.in
6.	Whether listed company	No
7.	Name, Address and contact details of the Registrar and Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service (NIC 2008)	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S r . No.	Name of Company	Address of Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	100.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	4,10,000	4,10,000	100.00	-	4,10,000	4,10,000	100.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**4,10,000**	**4,10,000**	**100.00**	**-**	**4,10,000**	**4,10,000**	**100.00**	**-**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-

ANNEXURE 'A'

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	
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A)=(A(1)+(A)(2)	**-**	**4,10,000**	**4,10,000**	**100.00**	**-**	**4,10,000**	**4,10,000**	**100.00**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.:	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**-**	**4,10,000**	**4,10,000**	**100.00**	**-**	**4,10,000**	**4,10,000**	**100.00**	**-**

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	4,10,000	100.00	-	4,10,000	100.00	-	-
	Total	**4,10,000**	**100.00**	**-**	**4,10,000**	**100.00**	**-**	**-**

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

Sr. No.	Particulars	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
	At the beginning of the year: Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ (decrease): At the end of the year:	No change in the Promoters' shareholding during the year.			

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
-	-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Venkatavarathan Iyengar	-	-	-	-
2	Mr. Deepak Shirke	-	-	-	-
3	Mr. Minesh Shah	-	-	-	-
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase / (decrease) (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Venkatavarathan Iyengar	-	-	-	-
2	Mr. Deepak Shirke	-	-	-	-
3	Mr. Minesh Shah	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other Directors: NIL

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
Director
DIN: 00418374

Deepak Shirke
Director
DIN: 07108915

Place: Mumbai
Date: May 29, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of **MAZDA ESTATES PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying Financial Statements of MAZDA ESTATES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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.

Auditors' 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 of the financial statement 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. 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, 2017 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, and the 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations which would impact its financial position;

b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

d) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Company. Refer Note No. 15 to the Ind AS financial statements.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31st March, 2017 of MAZDA ESTATES PRIVATE LIMITED:

(i) The Company does not have any fixed assets and therefore the provisions of clause (i) of paragraph 3 of the Order are not applicable to the Company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of inventory records, no material discrepancy was discovered during the period.

(iii) The Company has not granted any loans to companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Act and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) The Company has not granted any Loans or Guarantees to directors or made any investments as mentioned in the Section 185 and Section 186 of the Act and hence the provisions of clause (iv) of Paragraph 3 of the Order are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.

(vi) As the aggregate value of turnover of the Company during the immediately preceding financial year did not exceed rupees thirty five crores, the provisions of Companies (cost records and audit) Rules, 2014 notified by the Central Government under Section 148 of the Act are not applicable to the Company for the current financial year.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed amount of statutory dues in respect of Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, VAT, cess and other material applicable statutory dues have generally been regularly deposited with the appropriate authorities and as on 31st March, 2017, no such dues were outstanding for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us by the management there are no dues of Income Tax, Sales Tax, Service Tax, Custom duty and Excise duty, VAT and Cess, which have not been deposited on account of any dispute.

(viii) The Company has not defaulted in repayment of any dues to Banks, Financial Institutions or Debenture Holders and accordingly the provisions of clause (viii) of the paragraph 3 of the Order, are not applicable to the Company.

(ix) The Company has not raised funds through initial public offer or further public offer (including debt instruments) and term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company or its Employees or Officers has been noticed or reported during the course of our audit.

(xi) The Company has not paid Managerial Remuneration during the year hence the provisions of clause (xi) of Paragraph 3 of the Order are not applicable.

(xii) The Company is not a Nidhi Company as specified by the Companies Act, 2013 and hence the provisions under clause (xii) of Paragraph 3 of the Order are not applicable.

(xiii) According to the information and assertions given to us by the management, the Company has not had any related party transactions during the Financial Year and hence compliance under Section 177 and Section 188 of the Act is not applicable.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of M/S MAZDA ESTATES PRIVATE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Thar & Co.,**
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	1st April, 2015
ASSETS				
Current assets				
(a) Inventories	2	42.38	42.06	42.06
(b) Financial Assets		-	-	-
Cash and cash equivalents	3	0.19	0.51	0.52
Total Assets		**42.57**	**42.57**	**42.58**
EQUITY AND LIABILITIES				
(a) Equity Share capital	4	41.00	41.00	41.00
(b) Other Equity	5	(3.40)	(3.09)	(2.69)
LIABILITIES				
Current liabilities				
Other current liabilities	6	4.97	4.66	4.27
Total Equity and Liabilities		**42.57**	**42.57**	**42.58**

As per our report of even date attached

For and on behalf of the Board of Directors

For THAR & CO.
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Venkatavarathan Iyengar
(Director)

Deepak M Shirke
(Director)

Place : Mumbai
Date : 29th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

Particulars		Note No.	31st March, 2017	31st March, 2016
I	Revenue From Operations		-	-
II	Other Income		-	-
III	Total Income (I+II)		-	-
IV	EXPENSES			
	Cost of materials consumed	7	0.32	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	8	(0.32)	-
	Other expenses	9	0.31	0.40
	Total expenses (IV)		0.31	0.40
V	Profit/(loss) before exceptional items and tax (I- IV)		(0.31)	(0.40)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(0.31)	(0.40)
VIII	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
IX	Profit/(loss) for the year (VII+ VIII)		(0.31)	(0.40)
X	Other Comprehensive Income			
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		(0.31)	(0.40)
XII	Earnings per equity share (for continuing operation):			
	(1) Basic		(0.08)	(0.10)
	(2) Diluted		(0.08)	(0.10)
	Accounting Policies	1		

As per our report of even date attached

For and on behalf of the Board of Directors

For THAR & CO.
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Venkatavarathan Iyengar
(Director)

Deepak M Shirke
(Director)

Place : Mumbai
Date : 29th May, 2017

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	41.00	41.00
Change in Equity Share capital during the year	-	-
Balance at the end of the year	-	-
	41.00	**41.00**

B. Other Equity

	Reserves and Surplus Retained Earnings	TOTAL
As at 1st April, 2015	(2.69)	(2.69)
Profit /(Loss) for the year	(0.40)	(0.40)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	(0.40)	(0.40)
Contributions by and distributions to owners	-	-
Balance as at 31st March, 2016	(3.09)	(3.09)
Profit /(Loss) for the year	(0.31)	(0.31)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	(0.31)	(0.31)
Contributions by and distributions to owners	-	-
Balance as at 31st March, 2017	**(3.40)**	**(3.40)**

As per our report of even date attached

For THAR & CO.
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
(Director)

Deepak M Shirke
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

Particulars		31st March, 2017		31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		(0.31)		(0.40)
	Operating profit before working capital changes		(0.31)		(0.40)
	Movements in working capital :				
	Decrease / (Increase) in inventories	(0.32)		-	
	(Decrease) / Increase in trade and other current liabilities	0.31		0.39	
	Net movement in working capital	-	(0.01)	-	0.39
	Cash used in operations		(0.32)		(0.01)
	Less : Direct taxes paid (net of refund)		-		-
	Net cash used in operating activities		(0.32)		(0.01)
B	**Cash flows from investing activities**		-		-
	Net cash used in investing activities		-		-
C	**Cash flows from financing activities**				
	Repayment of borrowings		-		-
	Net cash from financing activities		-		-
	Net increase in cash and cash equivalents (A + B + C)		(0.32)		(0.01)
	Cash and cash equivalents at the beginning of the year		0.51		0.52
	Cash and cash equivalents at the end of the year		**0.19**		**0.51**
	Components of cash and cash equivalents as at		**31st March, 2017**		**31st March, 2016**
	Cash on hand		0.05		0.37
	With banks - on current account		0.14		0.14
			0.19		**0.51**

Note: Figures in the brackets indicate outflow.

As per our report of even date attached

For and on behalf of the Board of Directors

For THAR & CO.
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Venkatavarathan Iyengar
(Director)

Deepak M Shirke
(Director)

Place : Mumbai
Date : 29th May, 2017

1. Corporate Information

Mazda Estate Private Limited is engaged primarily in the business of real estate construction , development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at 2nd floor, Capri, Anant Kanekar Marg, Bandra (East), Mumbai - 400 051.

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 20. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale: -

- Unit in real estate: -

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted for the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company has both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates

prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

  Amortised Cost

  A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

  The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

  The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

  Fair value through Profit and Loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss."

- **Equity investments**

  The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

  In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available.

The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

(₹ in Lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
2. Inventories:			
Work-in-progress	42.38	42.06	42.06
	42.38	**42.06**	**42.06**
3. Cash and cash equivalents			
(i) Balances with Banks (of the nature of cash and cash equivalents);			
Current accounts	0.14	0.14	0.38
(ii) Cash on hand	0.05	0.37	0.14
	0.19	**0.51**	**0.52**
4. Equity Share Capital			
Authorised			
4,50,000 (Previous year 4,50,000) Equity shares of ₹ 10/- each	**45.00**	**45.00**	**45.00**
Issued, Subscribed and Paid up			
4,10,000 (Previous year 4,10,000) Equity shares of ₹ 10/- each fully paid	41.00	41.00	41.00
	41.00	**41.00**	**41.00**
Reconciliation of the number of shares outstanding :			
Equity Shares	Number	Number	Number
Shares outstanding at the beginning of the period	410,000	410,000	410,000
Shares Issued during the period	-	-	-
Shares outstanding at the end of the period	**410,000**	**410,000**	**410,000**
Terms / rights attached to shares :			
The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.			
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.			
Shares in the Company held by each shareholder holding more than 5 percent :			
Housing Development and Infrastructure Limited - Holding Company — Number	98,500	98,500	98,500
Housing Development and Infrastructure Limited - Holding Company — %	98.50%	98.50%	98.50%
5. Other Equity			
Retained Earnings	(3.40)	(3.09)	(2.69)
	(3.40)	**(3.09)**	**(2.69)**
6. Other current liabilities			
Statutory dues	-	-	-
Others	4.97	4.66	4.27
	4.97	**4.66**	**4.27**

(₹ in Lacs)

Particulars			Year ended 31st March, 2017	Year ended 31st March, 2016
7.	**Cost of materials consumed**			
	Cost of material consumed		0.32	-
			0.32	**-**
8.	**Changes in inventories of finished goods and work-in-progress**			
	Opening work-in-progress		42.06	42.06
	Closing work-in-progress		42.38	42.06
			(0.32)	**-**
9.	**Other expenses**			
	Professional fees		0.08	0.09
	Profession tax		0.03	0.03
	Remuneration to auditors			
	Audit fees		0.17	0.17
	Filing fees paid to the Registrar of Companies		0.03	0.11
	Total		**0.31**	**0.40**
	Above expenses includes Project related expenses		-	-
10.	**Earnings Per Equity Share Has Been Computed As Under:**			
(i)	Net profit after tax as per Statement of Profit and Loss		(0.31)	(0.40)
(ii)	Number of fully paid equity shares used in computing earnings per equity share			
	Basic	Number	410,000	410,000
	Diluted	Number	410,000	410,000
(iii)	Basic Earnings per share		(0.08)	(0.10)
(iv)	Diluted Earnings per share		(0.08)	(0.10)
(v)	Nominal value per equity share is ₹ 10/- fully paid			
11.	**CONTINGENT LIABILITIES NOT PROVIDED FOR**		Nil	Nil
12.	**CAPITAL COMMITMENT**			
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)		Nil	Nil

13. RELATED PARTY DISCLOSURE

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Holding Company

Housing Development and Infrastructure Limited

Enterprise significantly influenced by key management personnel

Not applicable

Key management personnel

Not applicable

B. Transactions with related parties

Nature of transaction	31st March, 2017			31st March, 2016		
	Holding Company	Key Management Personnel	Total	Holding Company	Key Management Personnel	Total
Loans/advances received	-	-	-	-	-	-
Loans/advances repaid	-	-	-	-	-	-

14. FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)

31st March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Cash and cash equivalents	0.05	0.05
Bank balances	0.14	0.14
31st March, 2016	**Carrying amounts**	
	Amortised cost	**Total**
Financial Assets		
Current		
Cash and cash equivalents	0.37	0.37
Bank balances	0.14	0.14
01st April, 2015	**Carrying amounts**	
	Amortised cost	**Total**
Financial Assets		
Current		
Cash and cash equivalents	0.14	0.14
Bank balances	0.38	0.38

Carrying amount of Cash and Cash Equivalent, Bank balances as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of other financial assets subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

15. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

Particulars	SBN	Other Denomination notes	Total
Closing Cash in hand as on 8th November, 2016	-	0.05	0.05
Add : Permitted Receipts	-	-	-
Less : Permitted Payments	-	-	-
Less : Amount deposited in Banks	-		-
Closing Cash in hand as on 30th December, 2016	-	0.05	0.05

16. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

17. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

18. Authorisation Of Financial Statements

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017.

19. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

20. First-time adoption of Ind-AS

The transition as at April 1, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates whenever applicable for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVTOCI

- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind As. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

B) Reconciliation between previous GAAP and Ind AS

The exercise of transition of the balances under previous GAAP to Ind AS was carried out by the Company as on 1 April 2015 in accordance with Indian Accounting Standards and after considering the principles of the said standard, there have been no change in the balances of other equity, components of Balance Sheet and Profit and Loss account as on 1 April 2015 consequently as on 31 March 2016.

As per our report of even date attached

For THAR & CO.
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Venkatavarathan Iyengar
(Director)

Deepak M Shirke
(Director)

NOTICE

To,

The Members

PRIVILEGE POWER AND INFRASTRUCTURE PRIVATE LIMITED

Mumbai

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of the Company will be held on Tuesday, September 26, 2017 at 2:00 P.M.(IST) at Registered Office of the Company situated at 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051, to transact the following business:

ORDINARY BUSINESS:

Item No. 1: Adoption of Financial Statements:

To receive, consider and adopt, the financial statements of the Company for the financial year ended March 31, 2017, including the audited Balance Sheet as at March 31, 2017, the Statement of Profit and Loss Account, Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and the Auditors' thereon.

Item No. 2: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Rakesh Kumar Wadhawan (DIN : 00028573), who retires by rotation and being eligible offers himself for re-appointment.

Item No. 3: Appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors in place of Retiring Statutory Auditor:

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

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) be and are hereby appointed as the Statutory Auditors of the Company, to hold the office from the conclusion of 33rd Annual General Meeting till the conclusion of 38th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and applicable taxes as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorised for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

By order of the Board of Directors

Rakesh Kumar Wadhawan
Director
(DIN: 00028573)

Place: Mumbai
Date : May 29, 2017

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS OR AUTHORITY, AS APPLICABLE.**

   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

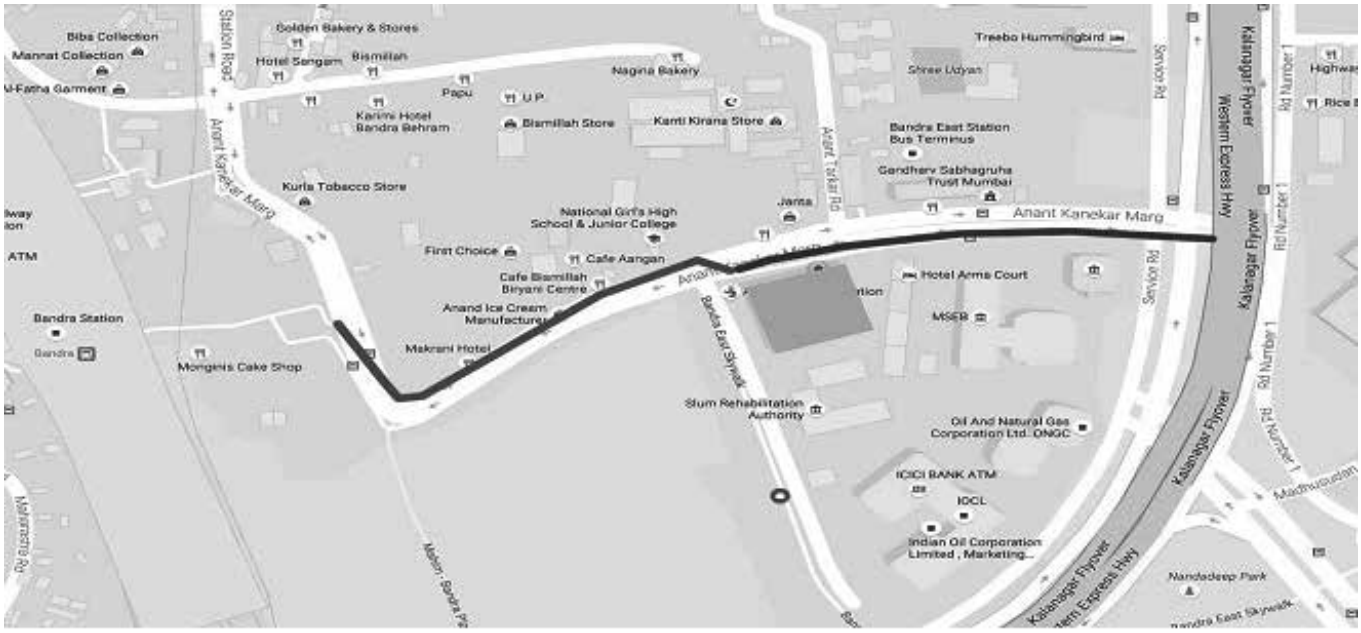
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 ("the Act"), are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

(Venue: 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051)

(Directions from Bandra Railway Station and Kurla Railway Station:)



EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013 ("The Act"), sets out all material facts relating to Item No. 2 and 3 mentioned in the accompanying Notice for convening the 33rd Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mr. Rakesh Kumar Wadhawan (DIN : 00028573), including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except Mr. Rakesh Kumar Wadhawan and his relatives, Mr. Sarang Wadhawan, being the Son of Mr. Rakesh Wadhawan, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

TABLE A- BRIEF PROFILE OF APPOINTMENT AND REAPPOINTMENT DIRECTOR

Name of Director	Mr. Rakesh Kumar Wadhawan
Age	64 Age
Qualification	He is a commerce graduate from Mumbai University.
Experience	He has over three decades of experience in the real estate and infrastructure industry. He is a member of many industry organisations and has actively participated in international housing-related seminars. His vision and expertise has steered the company's growth.
Terms and condition for Re- appointment	Non-Executive Director
Detail of Remuneration	Nil
Date of First Appointment on board	20/12/2005
Shareholding in the Company	1 Share - Nominee of Housing Development and Infrastructure limited
Relationship with other director/Manager and other KMP	Mr. Sarang Wadhawan – Being the son of Mr. Rakesh Kumar Wadhawan
Number of meetings attended during the financial year 2016-17	7 (Seven)
Directorships of other Board	Libra Hotels Private Limited
	Heritage Housing Development (India) Private Limited
	Housing Development and Infrastructure Limited
	Privilege Industries Limited
	Dewan Realtors Private Limited
	Libra Realtors Private Limited
	Privilege Airways Pvt Ltd
	A.N. Infrastructure And Developers Private Limited
	Guruashish Construction Private Limited
	Wadhawan Livestock Private Limited
	UM Architectures And Contractors Limited
	Privilege Health Care Services Private Limited
	HR Infracity Private Limited
	HC Infracity Private Limited
	Dreams The Mall Company Limited
	The Mall Malad Management Company Limited
	HDIL Harmony Mall Company Limited
Membership/Chairmanship of Committees of other Board	Guruashish Construction Private Limited - Corporate Social Responsibility Committee – Member.

Item No. 3

Keeping in view the requirements set out in the Act, the Board of Directors of the Company have recommended appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company for the term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statement of the Company for the Financial Year ending March 31, 2018.

M/s. Rajeswari & Associates, Chartered Accountants have consented to and confirmed that their appointment, if made, be within the limits so specified under Section 141 (3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out in Item No.3 of the Notice for approval by the members.

By order of the Board of Directors

Rakesh Kumar Wadhawan
Director
DIN: 00028573

Place: Mumbai
Date: May 29, 2017

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 33rd Annual Report of the Company together with the Audited Financial Statement for the Financial Year (**"F.Y."**) ended March 31, 2017.

BACKGROUND AND OPERATIONS :

Your Company is a wholly owned subsidiary of Housing Development and Infrastructure Limited and the Company is engaged into real estate activities, developing, operating and maintaining infrastructure facilities.

PROJECT :

Your Company holds one of the largest land-bank admeasuring upto 572 acres located in Virar. It plans to launch one of India's largest affordable housing schemes and offers the smart-city plan with premium lifestyle on the periphery of Mumbai and necessary approvals pertaining to environment clearances are awaited.

FINANCIAL PERFORMANCE :

Your Company's performance during the F.Y. ended March 31, 2017 as compared to the previous F.Y. is summarised below:

(₹ in Lacs)

Particulars	2016-17	2015-16
Gross sales and other receipts	1,456.15	347.05
Profit before finance cost, depreciation, amortisation and taxation	11,275.46	12,498.83
Finance Cost	10,841.35	12,313.87
Depreciation and Amortization	4.59	8.39
Operational profit before tax	429.51	176.56
Less: Tax Expenses	(51.46)	52.81
Profit for the year	480.98	123.75
Balance brought forward	809.97	691.88
Add: Other adjustments	480.69	118.10
Profit available for appropriation	1290.66	809.98
Closing Balance	1,290.66	809.98
Net Worth	37,334.28	36,040.30

COMPANY PERFORMANCE:

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous year's figures have been restated and audited by the Statutory Auditors of the Company, namely, M/s. Rajeswari & Associates, Chartered Accountants (Firm Registration No. 123005W).

STATE OF COMPANY'S AFFAIRS AND PERFORMANCE REVIEW :

Your Company has performed remarkably well with ₹ 1,453.15 lacs revenue during the year as against ₹ 343.75 lacs in the previous year and the Company has made Profit of ₹ 480,38 lacs during the year as against Profit of ₹ 123.75 lacs in the previous year. The Directors are hopeful for a much more better performance in the upcoming years.

No material changes and commitments have occurred between the end of the financial year and the date of this report, which affect the financial position of the Company.

DIVIDEND :

To conserve the resources, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL :

The paid-up equity share capital of the Company as at March 31, 2017, was ₹ 16,105 lacs. During the F.Y. 2016-17, there was no change in the issued, subscribed and paid up share capital of the Company.

RESERVES :

The Board of Directors (**"the Board"**) have not recommended transfer of any amount of profit to reserves during the F.Y. 2016-17. Hence, the entire amount of profit for the F.Y. 2016-17 has been carried forward to the surplus in the Statement of Profit and Loss.

DEPOSITS :

The Company has not accepted deposit from the public, falling within the ambit of Section 73 to 76 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN :

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as **Annexure 'A'**.

PARTICULARS OF EMPLOYEES :

Your Directors place on record their appreciation for the contribution made by the employees of the Company at all levels. Relations between employees and the Management continued to be cordial during the year.

REPORT UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 :

Your Company is committed to provide and promote a safe and healthy work environment for all its employees.

Your Company has in place a 'Prevention of Sexual Harassment' (**"POSH"**) policy that is in line with the provisions of the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Rules framed thereunder for prevention and redressal of complaints pertaining to sexual harassment at workplace and a structured reporting and redressal mechanism is in place.

During F.Y. 2016-17, your Company has not received any compliant on sexual harassment.

APPOINTMENT OF DIRECTOR AND KEY MANAGERIAL PERSONNEL :

In accordance with the provisions of Section 152 of the Act, Mr. Rakesh Kumar Wadhawan is liable to retire by rotation at the ensuing Annual General Meeting (**"AGM"**) of the Company and being eligible offers himself for re-appointment.

During the F.Y., there was no change in the constitution of the Board of Directors (**"the Board"**) of the Company.

Board Meeting

The Board meets at regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 7 times during the F.Y. 2016-17; on 27/05/2016, 01/08/2016, 10/09/2016, 24/09/2016, 12/12/2016, 14/02/2017 and 17/03/2017.

Attendance by the Directors in the Board Meeting

The Board duly met 7 times during the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below:

Name of the Directors	Director Identification Number	Attendance		
		No of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Mr. Rakesh Kumar Wadhawan	00028573	7	7	Yes
Mr. Sarang Wadhawan	00028608	7	7	Yes
Mr. Ashok Kumar Gupta	00145816	7	7	Yes
Mr. Hazari Lal	06696100	7	5	Yes
Mrs. Sandhya Baliga	07015987	7	5	Yes

DIRECTORS' RESPONSIBILITY STATEMENT :

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017, and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD :

Your Company has following committees of the Board, which are in place in compliance with the requirements of the relevant provisions of applicable laws and statutes:

- Audit Committee
- Nomination and Remuneration Committee

- **Audit Committee :**

Your Company has audit Committee comprising of Directors in the Board. The Committee is responsible for the review, examining and evaluating internal financial Report, Financial statements and Auditors Report; Approval of Audit plans; foresees the management and direction of the related party policies and the vigil Mechanism policies; appointment of auditors amongst other responsibilities as contained in the terms of references.

During the F.Y. 2016-17, the Audit Committee met four (4) times viz. on May 27, 2016; September 10, 2016; December 12, 2016 and February 14, 2017.

The Audit Committee comprises of Members (Directors of the Board) and attendance by the members in the Audit Committee meeting are following:

Name of the Directors	Designation	Attendance	
		No. of Committee Meetings held during FY 2016-17	Number of Meetings attended
Mr. Hazari Lal	Chairman	4	4
Mr. Sarang Wadhawan	Member	4	4
Mrs. Sandhya Baliga	Member	4	4

- **Nomination And Remuneration Committee:**

Your Company has Nomination & Remuneration Committee comprising of following Directors:

1. Mrs. Sandhya Baliga - Chairperson
2. Mr. Sarang Wadhawan - Member
3. Mr. Hazari Lal - Member

During the F.Y. 2016-17, No Nomination & Remuneration Committee was held as there was no necessity to hold a meeting.

STATUTORY AUDITORS:

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current Statutory Auditors, M/s. Thar & Co., Chartered Accountants (Firm Registration No. 110958W) on completion of maximum term permitted under the said section which is due at the ensuing Annual General Meeting to be held on September 26, 2017.

Accordingly, the Board of Directors of the Company in its meeting held on May 29, 2017 recommended the appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company. M/s. Rajeswari & Associates will hold office for a period of five consecutive years from the conclusion of the this Annual General Meeting of the Company scheduled to be held on September 26, 2017, till the conclusion of 38th Annual General Meeting which will be held in the year 2022, subject to the approval of the Shareholder of the Company. The first year of audit will be of the financial year ending March 31, 2018.

EXPLANATION ON AUDITORS' REPORT:

As regards the observation by the Auditor in the Auditor's Report regarding delay in payment of Service Tax and in payment of Interest to Banks; the Company will take remedial measures to ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers other than as stated above made by Auditors in their Report dated May 29, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. SG & Associates, Company Secretaries (C.P. No. 5722) ("Secretarial Auditor") to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure 'B'**.

There were observations made by Secretarial Auditor in their Report dated May 30, 2017, on the Secretarial and other related records of the Company for the F.Y. 2016-17. Pursuant to the provisions of Section 203 of the Act and the Rules made thereunder, the Company is required to appoint Chief Financial Officer. The Company has confirmed that the Management is in the process of making such appointments.

INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial controls with reference to financial statements and to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Pursuant to Section 186 of the Act, particulars of the loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties during the F.Y.2016-17 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Act, are not attracted and hence the disclosure in Form AOC 2 is not required.

Suitable disclosures as required under Ind AS-24 have been made in the Notes to the financial statements.

RISK MANAGEMENT:

Risk Management is an integral part of the Company's business strategy and taking that into consideration, your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board has in place a Risk Management Policy to manage risk through a detailed policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

VIGIL MECHANISM :

Your Company has a Vigil Mechanism for their Directors and employees to report their genuine concerns or grievances and also a formal Whistle Blower Policy to report genuine concerns or grievance is in place.

Your Company assures cognizance of complaints made and suggestions given by the employees. Even anonymous complaints will be looked into and whenever necessary, suitable corrective steps will be taken.

NOMINATION AND REMUNERATION POLICY:

The Company has in place a policy which lays down criteria for selection and appointment of Board Members. The policy also lays down a framework in relation to remuneration of Directors, KMP and Senior Management of the Company. The Policy also includes the criteria for determining qualifications, positive attributes and independence of Directors.

The Policy on Nomination and Remuneration of Directors and Senior Managerial Personnel is annexed to this Report.

EVALUATION OF THE BOARD, ITS COMMITTEE AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its performance of the Directors individually as well as the evaluation of the working of its Committees.

PERFORMANCE EVALUATION:

The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as under:

Role of Accountability:

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

Objectivity:

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

Leadership and Initiative:

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

Personal Attributes:

- Commitment to role and fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y. 2016-17.

During the F.Y. 2016-17, the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

APPRECIATION :

Your Directors express their sincere thanks to the Bank, Business Associates and Government Authorities for their assistance and co-operation extended from time to time.

For and on behalf of the Board of Directors

Mr. Rakesh Kumar Wadhawan
Director
(DIN: 00028573)

Mr. Sarang Wadhawan
Director
(DIN: 00028608)

Place: Mumbai
Date : May 29, 2017

ANNEXURE 'A'

FORM NO. MGT 9

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

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2017

I. REGISTRATION AND OTHER DETAILS:

CIN	U65990MH1984PTC033927
Registration Date	September 4, 1984
Name of the Company	Privilege Power and Infrastructure Private Limited
Category/Sub-category of the Company	Company limited by Shares, Indian non-Government Company
Address of the Registered office & contact details	3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051 Tel: +91 22 2658 3500 Fax: +91 22 2658 3535 e-mail id: darshan.majmudar@hdil.in
Whether listed Company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	100.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	16105000	16105000	100.00	-	16105000	16105000	100.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	-	16105000	16105000	100.00	-	16105000	16105000	100.00	-
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	**-**	**16105000**	**16105000**	**100.00**	**-**	**16105000**	**16105000**	**100.00**	**-**

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. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.:									
Indian	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Sub-total (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B) = (B)(1)+ (B)(2)	**-**	**-**	**-**	**-**		**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs and ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**-**	**16105000**	**16105000**	**100.00**	**-**	**16105000**	**16105000**	**100.00**	**-**

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	16105000	100.00	-	16105000	100.00	-	-
	Total	**16105000**	**100.00**	**-**	**16105000**	**100.00**	**-**	**-**

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

Sr. No.	Particulars	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
	At the beginning of the year: Date wise increase/ decrease in Promoters Shareholding during the year specifying the reason for increase/ decrease: At the end of the year:	No change in the Promoters' shareholding during the year			

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs:

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
-	-	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Rakesh Kumar Wadhawan	-	-	-	-
2	Mr. Sarang Wadhawan	-	-	-	-
3	Mr. Ashok Kumar Gupta	-	-	-	-
4	Mr. Hazari Lal	-	-	-	-
5	Mrs. Sandhya Baliga				
	Date wise Increase / (Decrease) in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Rakesh Kumar Wadhawan	-	-	-	-
2	Mr. Sarang Wadhawan	-	-	-	-
3	Mr. Ashok Kumar Gupta	-	-	-	-
4	Mr. Hazari Lal	-	-	-	-
5	Mrs. Sandhya Baliga	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	73,474.44	-	-	73,474.44
ii) Interest due but not paid	3,355.01	-	-	3,355.01
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	76,829.45	-	-	76,829.45
Change in Indebtedness during the financial year				
• Addition	10,727.10	-	-	10,727.10
• Reduction	40,760.73	-	-	40,760.73
Net Change	(30,033.63)	-	-	(30,033.63)
Indebtedness at the end of the financial year				
i) Principal Amount	40,224.90	-	-	40,224.90
ii) Interest due but not paid	6,570.93	-	-	6,570.93
iii) Interest accrued but not due				
Total (i+ii+iii)	46,795.83	-	-	46,795.83

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
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		
2	Stock Option		
3	Sweat Equity	NIL	
4	Commission		
	- as % of profit-others, specify…		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	**Independent Directors**	**Mrs. Sandhya Baliga**	**Mr. Hazari Lal**	
	Fee for attending Board / Committee Meetings	0.40	0.60	1.00
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	0.40	0.60	1.00
2	**Other Non-Executive Directors**	**Mr. Venkatavarathan Iyengar**	**Mr. Minesh Shah**	**-**
	Fee for attending Board / Committee Meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B) = (1+2)			**1.00**
	Total Managerial Remuneration = (A+B)			**NIL**
	Overall Ceiling as per the Act	Not Applicable as only sitting fees paid		

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
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				
2	Stock Option				
3	Sweat Equity		NIL		
4	Commission				
	- as % of profit				
	others, specify…				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Mr. Rakesh Kumar Wadhawan
Director
(DIN: 00028573)

Mr. Sarang Wadhawan
Director
(DIN: 00028608)

Place: Mumbai
Date : May 29, 2017

ANNEXURE 'B'

Form No. MR-3

Secretarial Audit Report

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

Secretarial Audit Report

For the Financial Year ended 31st March, 2017

To,

The Members,

Privilege Power and Infrastructure Private Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Privilege Power And Infrastructure Private Limited (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 my opinion thereon.

Based on our verification of the Company'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 31st March, 2017 has complied with the statutory provisions 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:

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 31st March, 2017 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made thereunder;

As per Management Representation Letter following are the laws applicable to Company:

I. The Environment (Protection) Act, 1986 and Rules thereunder;

II. The Water (Prevention & Control Of Pollution) Act, 1974;

III. The Air (Prevention & Control of Pollution) Act, 1981;

IV. The Factories Act, 1948 and Rules thereunder;

V. All other Labour, Employee and Industrial Laws to the extent applicable to the Company;

VI. Sexual Harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of Secretarial standard issued by The Institute of Company Secretaries of India.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc.,

We further report that

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

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

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

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.

I further report that during the audit period, there were no instances of:

i. Public / Preferential issue of shares / debentures / sweat equity.

ii. Redemption / buy-back of securities.

iii. Merger / amalgamation / reconstruction etc.

iv. Foreign technical collaborations

Observations:

The Company is required to appoint Chief Financial Officer as required under Section 203 of Companies Act, 2013 and rules made there under.

(The Company Officials have confirmed that the Company is in the process of making such appointments).

For **SG and Associates,**

Suhas Ganpule,
Proprietor,
Membership No: 12122
C. P No: 5722

Date: 30th May, 2017
Place: Mumbai

ANNEXURE 'C'

NOMINATION AND REMUNERATION POLICY

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 and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company.

The policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company has been formulated and approved by the Board of Directors at its Meeting held on March 14, 2015.

OBJECT AND PURPOSE

This policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel, Senior Management and other employees. The policy is framed with the objective(s):

- that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- that the remuneration to Directors, Key Managerial Personnel, and other employees of the Company involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
- to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration;
- to determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry;
- to carry out evaluation of the performance of Directors, as well as Key Managerial Personnel and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage and
- to lay down criteria for appointment, removal of Directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

APPLICABILITY AND GOVERNING LAW

This policy is applicable to all Directors viz. Executive, Non-Executive and Independent Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

This policy shall be governed by the Act read with Rules made thereunder, as may be in force for the time being and such other Rules / Regulations, as may be notified by MCA from time to time. Any references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other statutory provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).

DEFINITIONS

In this policy unless the context otherwise requires:

"**Act**" shall mean the Companies Act, 2013 and the Rules and Regulations notified thereunder.

"**Board of Directors**" or "**Board**" in relation to the Company means the collective body of the Directors of the Company.

"**Company**" means Privilege Power and Infrastructure Private Limited.

"**Directors**" means Directors of the Company.

"**Independent Director**" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"**Key Managerial Personnel**" (KMP) in relation to a Company means,

i. The Chief Executive Officer, or the Managing Director or the Manager;

ii. The Company Secretary;

iii. The Whole-time Director;

iv. Chief Financial Officer and

v. Such other officer as may be prescribed under the Act.

"**Senior Management Personnel**" mean employees of the company who are members of its core management team excluding Board of Directors including the functional / vertical heads.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall have minimum three Directors as Members and out of which not less than one half shall be Independent Directors. The Nomination and Remuneration Committee comprises of the following Directors:

1)	Mrs. Sandhya Baliga	Non-Executive Independent Director	Chairperson
2)	Mr. Hazari Lal	Non-Executive Independent Director	Member
3)	Mr. Sarang Wadhawan	Non-Executive Non-Independent Director	Member

The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

The role of the Committee inter-alia will be the following:

- identify person who is qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performances;
- formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Employees;
- devising a policy on Board diversity;
- formulation of criteria for evaluation of Independent Directors and the Board;
- ensure that the Board comprises of a balanced combination of Executive Directors and Non-executive Directors and also the Independent Directors and
- decide / approve details of fixed components and performance linked incentives along with criteria.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

(i) Appointment criteria and qualifications:

- 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 about his / her appointment;
- 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;
- 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 the Shareholders of the Company.

(ii) Term / Tenure:

- 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 year before the expiry of term;

- 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;

- No Independent Director shall hold office for more than two consecutive terms, 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 and

- 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.

(iii) Evaluation:

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

(iv) Removal:

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations, 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.

(v) 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.

REMUNERATION FOR DIRECTOR, KMP AND SENIOR MANAGEMENT

The general features of Remuneration for Director, KMP and Senior Management Personnel are as under:

- The remuneration / compensation / commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.

- The remuneration and commission to be paid to the Whole-time Director and Managing Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act and the rules made thereunder.

- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.

- This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board Meeting minutes.

i. **Remuneration to Whole-time / Executive / Managing Director**

Fixed pay:

The Whole-time Director, Managing Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to Provident and Pension Fund, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director / Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

Provisions for excess remuneration:

If any Whole-time Director/ Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act, or without the prior approval of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

ii. **Remuneration / Commission to Non-Executive / Independent Director**

Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

Sitting Fees:

The Non-Executive / Independent Director may receive remuneration by way of fees for attending Meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ 10,000/- per Meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. Further the boarding and lodging expenses shall be reimbursed to the Directors.

Commission:

Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 3% of the profits of the Company computed as per the applicable provisions of the Act, if there are no Managing or Whole-Time Director of the Company.

In case, where the Company has appointed Managing or Whole-Time Director then Commission shall be paid within the monetary limit approved by Shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

REVIEW

This Policy shall be reviewed by the Board of Directors on its own and / or as per the recommendations of the Nomination and Remuneration Committee, as and when deemed fit.

INDEPENDENT AUDITORS' REPORT

To the Members of **PRIVILEGE POWER AND INFRASTRUCTURE PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying Financial Statements of PRIVILEGE POWER AND INFRASTRUCTURE PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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.

Auditors' 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 of the financial statement 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. 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, 2017 and its profit 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the 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 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

INDEPENDENT AUDITORS' REPORT

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 28 to the financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transmitting amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2017.

iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Company. Refer Note No. to the Ind AS financial statements.

For **Thar & Co.**,
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31st March, 2017 of PRIVILEGE POWER AND INFRASTRUCTURE PRIVATE LIMITED:

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

(b) All the Fixed Assets have been physically verified by the management in a phased manner, over a period of one year, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of the immovable property are held in the name of the Company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of inventory records, no material discrepancy was discovered during the period.

(iii) The Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) The Company has not granted any Loans or Guarantees to directors or made any investments as mentioned in the Section 185 and Section 186 of the Act and hence the provisions of clause (iv) are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.

(vi) As the aggregate value of turnover of the Company during the immediately preceding financial year did not exceed rupees thirty five crores, the provisions of Companies (cost records and audit) Rules, 2014 notified by the Central Government under Section 148 of the Act are not applicable to the Company for the current financial year.

(vii) (a) According to the information and explanations provided to us, the Company is generally regular in depositing undisputed amount payable in respect of provident fund, employee's state insurance, Income Tax, Sales Tax, Service Tax and other material statutory dues as applicable with the appropriate authorities except the following dues which were outstanding as at 31st March, 2017 for a period more than 6 months from the date they became payable-

Nature of dues (including interest)	` in Lakhs
Service Tax	49.55
Tax Deducted at Source Payable	5.38

(b) According to the information and explanations given to us, there are no material dues of Service Tax, Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute except following Income-tax demand:

Name of the statute	**Nature of dues**	**Forum where the Dispute is pending**	Period to which the Amount Relates	**Amount involved (Rs.in lakhs)**	**Amount unpaid (Rs.in lakhs)**
Income Tax Act, 1961	Income Tax	CIT Appeals	F.Y. 2012-13	34.61	34.61
Income Tax Act, 1961			15.65	F.Y. 2012-13	Assessing Officer Central Circle 5(4)

(viii) Based on our Audit procedures and as per the information and explanations given by the management, the company has defaulted in repayment of loans and interest to banks and financial institutions. Estimated unpaid overdue installments to banks, financial institutions and debenture-holders as at 31st March, 2017 are aggregated to Rs.40224.90 lakhs. Interest accrued and due on borrowings amounts to Rs 6570.92 lakhs. The overdue relates to the financial years 2015-16 and 2016-17.

(ix) The Company has not raised money through initial public offers or further public offers or debt instruments or term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company or any of its employees or officers were noticed or reported during the course of our audit.

(xi) The Company has not paid Managerial Remuneration during the year hence the provisions of clause (xi) of Paragraph 3 of the Order are not applicable.

(xii) The Company is not a Nidhi Company as specified by the Companies Act, 2013 and hence the provisions under clause (xii) of Paragraph 3 of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013, and where applicable the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Thar & Co.**,
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of M/S PRIVILEGE POWER AND INFRASTRUCTURE LIMITED ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Thar & Co.**,
Chartered Accountants
Firm Registration No.: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	1st April, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	2	30.88	35.21	43.61
Investment Property	3	12.63	12.84	13.06
Other Intangible assets				
Financial Assets				
Investments	4	25.85	26.19	26.19
Deferred tax assets (net)	5	11.45	10.38	8.97
Other non-current assets	6	326.47	426.00	556.44
Current assets				
Inventories	7	157,412.38	107,505.76	78,013.24
Financial Assets				
Trade receivables	8	206.26	225.42	217.57
Cash and cash equivalents	9	1,255.65	66.34	149.20
Bank balances other than above	10	2.45	2.27	2.09
Others	11	526.25	27,717.32	70,093.34
Total Assets		**159,810.27**	**136,027.73**	**149,123.71**
EQUITY AND LIABILITIES				
Equity Share capital	12	16,105.00	16,105.00	16,105.00
Other Equity	13	21,229.28	20,748.60	19,817.20
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	14	40,224.90	73,474.44	82,906.02
Provisions	15	5.52	3.64	3.16
Current liabilities				
Financial Liabilities				
Trade payables	16	636.64	637.07	863.94
Other financial liabilities	17	6,570.93	3,355.01	2,866.74
Other current liabilities	18	75,025.39	21,641.07	26,543.93
Provisions	19	10.29	10.18	6.29
Current Tax Liabilities (Net)	20	2.32	52.72	11.43
Total Equity and Liabilities		**159,810.27**	**136,027.73**	**149,123.71**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 29th March, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	**Revenue From Operations**	21	1,453.15	343.76
II	Other Income	22	3.24	3.29
III	Total Income (I+II)		1,456.39	347.05
IV	EXPENSES			
	Cost of materials consumed	23	39,943.51	16,327.27
	Changes in inventories of finished goods, work-in-progress	24	(49,906.62)	(28,679.01)
	Employee benefits expense	25	81.80	81.98
	Finance costs	26	10,841.35	12,313.88
	Depreciation and amortization expense	2,3	4.59	8.61
	Other expenses	27	62.25	117.99
	Total expenses (IV)		1,026.88	170.72
V	Profit/(loss) before exceptional items and tax (III- IV)		429.51	176.33
VI	Exceptional Items		-	-
VII	**Profit/(loss) before tax (V-VI)**		**429.51**	**176.33**
VIII	Tax expense:			
	Current tax		-	54.23
	Deferred tax		(1.07)	(1.42)
	Income tax on earlier years		(50.40)	4.58
			(51.47)	57.39
IX	Profit/(loss) for the period (IX+X)		480.98	118.94
X	Other Comprehensive Income			
A	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		(0.29)	(1.07)
			(0.29)	(1.07)
XI	Total Comprehensive Income for the period (IX+X) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		**480.69**	**117.87**
XII	Earnings per equity share			
	Basic		2.98	0.73
	Diluted		0.73	0.73
	Accounting policy	1		

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 29th May, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	31st March, 2017		31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		429.51		176.33
	Adjustments for :				
	Depreciation	4.59		8.61	
	Other Comprehensive income	(0.29)		(1.07)	
	Interest expenses	10,841.35		12,188.38	
	Investment Income	(3.00)	10,842.65	(3.00)	12,192.92
	Operating profit before working capital changes		11,272.16		12,369.25
	Adjustments for :				
	Decrease / (Increase) in inventory	(49,792.37)		(28,553.51)	
	Decrease / (Increase) in Trade receivables	19.15		(7.85)	
	Decrease / (Increase) in other receivables	27,191.07		42,380.97	
	(Decrease) / Increase in financial liabilities	3,215.48		4.37	
	(Decrease) / Increase in other current liabilities	53,384.32		-	
	(Decrease) / Increase in provisions	2.00		(4,641.44)	
	Net movement in working capital		34,019.65		9,182.54
	Cash generated from operations		45,291.81		21,551.79
	Less : Direct taxes paid (net of refunds)		14.72		17.52
	Net cash from operating activities		45,277.09		21,534.27
B	**Cash flows from investing activities**				
	Sale of investments	0.34			
	Investment income	3.00		3.00	
	Purchase of fixed assets	(0.05)		-	
	Net cash from investing activities		3.29		3.00
C	**Cash flows from financing activities**				
	Proceeds from borrowings	-		(10,995.37)	
	Repayment of borrowings	(33,249.54)		1,563.78	
	Interest paid	(10,841.35)		(12,188.38)	
	Net cash from financing activities		(44,090.89)		(21,619.97)
	Net increase in cash and cash equivalents (A + B + C)		1,189.49		(82.70)
	Cash and cash equivalents at the beginning of the year		68.61		151.31
	Cash and cash equivalents at the end of the year		**1,258.10**		**68.61**
			31st March, 2017		**31st March, 2016**
	Components of cash and cash equivalents as at		0.97		14.79
	Cash on hand		1,254.68		51.55
	With banks - on current account		2.45		2.27
	In Fixed deposit account		1,258.10		68.61

Notes : Figures in the brackets indicate outflow.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 29th May, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

A.	Equity Share Capital	As at 31st March, 2017	As at 31st March, 2016
	Balance at the beginning of the year	16,105.00	16,105.00
	Change in Equity Share capital during the year		-
	Balance at the end of the year	16,105.00	16,105.00

Other Equity

Particulars	Reserves and Surplus			Deemed Capital Contribution	Total
	Securities Premium Reserve	General Reserves	Retained Earnings		
As at 1st April, 2015	18,677.95	447.38	691.87	-	19,817.20
Additional contribution during the year - Bank Guarantee commission given by parent	-	-	-	813.51	813.51
Profit for the year	-	-	118.94	-	118.94
Other Comprehensive Income for the year	-	-	(1.07)	-	(1.07)
Total Comprehensive Income for the year	-	-	117.87	-	117.87
Balance as at 31st March, 2016	**18,677.95**	**447.38**	**809.74**	**813.51**	**20,748.58**
Profit for the year	-	-	480.98	-	480.98
Other Comprehensive Income for the year	-	-	(0.29)	-	(0.29)
Total Comprehensive Income for the year	-	-	480.69	-	480.69
Balance as at 31st March, 2017	**18,677.95**	**447.38**	**1,290.44**	**813.51**	**21,229.28**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 29th May, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

NOTES FORMING PART OF THE FINANCIAL STATEMENT

1. Corporate Information

Privilege Power and Infrastructure Private Limited ("PPIPL") is engaged primarily in the business of real estate construction , development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at 3rd floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai - 400 051.

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 41. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- **Unit in real estate: -**

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

ii) Rent: -

Revenue is recognised on accrual basis.

iii) Interest: -

- Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.

iv) Dividends: -

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

v) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company operates both defined benefit and defined contribution schemes for its employees. For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions. For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognised in the statement of profit and loss except to the extent that the tax relates to items recognised directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

i) Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

ii) Based on an independent technical evaluation, the useful life of Mobile Phones has been estimated as 3 years, which is different from that prescribed in Schedule II of the Act.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the year they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

  Amortised Cost

  A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  Fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

  The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

  Fair value through Profit and Loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognied in the Profit and Loss.

  - **Equity investments**

    The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

  - **Investment in subsidiaries**

    Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

  - **Derecognition of financial assets**

    The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

  - **Impairment of financial assets**

    The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on Operating Segments.

NOTES ON THE FINANCIAL STATEMENTS

(₹ in Lacs)

	Particulars	Freehold Land and Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
2	**PROPERTY, PLANT AND EQUIPMENT**							
	Cost							
	At 1st April, 2015	**31.50**	**0.03**	**10.67**	**0.43**	**0.98**	**-**	**43.61**
	Addition	-	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-	-
	At 31st March, 2016	31.50	0.03	10.67	0.43	0.98	-	43.61
	Additions	-	-	-	-	-	0.05	0.05
	Disposal	-	-	-	-	-	-	-
	Transfer	-	-	-	-	-	-	-
	At 31st March, 2017	**31.50**	**0.03**	**10.67**	**0.43**	**0.98**	**0.05**	**43.66**
	Depreciation							
	At 1st April, 2015	-	-	-	-	-	-	-
	Depreciation charge for the year	0.71	0.02	7.27	-	0.40	-	8.40
	Impairment	-	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-	-
	At 31st March, 2016	**0.71**	**0.02**	**7.27**	**-**	**0.40**	**-**	**8.40**
	Depreciation charge for the year	0.71	0.02	3.30	-	0.34	0.01	4.38
	Impairment	-	-	-	-	-	-	-
	Disposals	-	-	-	-	-	-	-
	At 31st March, 2017	**1.42**	**0.05**	**10.57**	**-**	**0.74**	**-**	**12.78**
	Net book value							
	At 31st March, 2017	**30.08**	**(0.02)**	**0.10**	**0.43**	**0.24**	**0.05**	**30.88**
	At 31st March, 2016	**30.79**	**0.01**	**3.40**	**0.43**	**0.58**	**-**	**35.21**
	At 1st April, 2015	**31.50**	**0.03**	**10.67**	**0.43**	**0.98**	**-**	**43.61**

3	**INVESTMENT PROPERTY**	
	Opening Balance as at 1st April, 2015	13.06
	Additions	-
	Disposal	-
	Transfer	-
	Closing Balance as at 31st March, 2016	13.06
	Additions	-
	Disposal	-
	Transfer	-
	Closing Balance as at 31st March, 2017	13.06
	Depreciation	
	At 1st April, 2015	
	Depreciation charge for the year	0.22
	Impairment	-
	Disposals	-
	At 31st March, 2016	0.22
	Depreciation charge for the year	0.22
	Impairment	-
	Disposals	-
	At 31st March, 2017	0.43
	Net book value	
	At 31st March, 2017	**12.63**
	At 31st March, 2016	**12.84**
	At 1st April, 2015	**13.06**

For Investment Property existing as on 1st April, 2015 i.e. its date of transition to Ind-AS, the group has used Indian GAAP carrying value as deemed cost.

INFORMATION REGARDING INCOME AND EXPENDITURE OF INVESTMENT PROPERTY

(₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016
	Rental income derived from Investment Properties	7.46	14.91
	Less : Depreciation	0.22	0.22
	Profit arising from investment properties before indirect expenses	7.24	14.69
4	**INVESTMENTS (NON CURRENT)**		
	Investments in Equity Instruments		
	i) Punjab and Maharashtra Co - Operative Bank Limited 1,00,000 (Previous year 1,00,000) Equity shares of ₹25/- each fully paid	25.00	25.00
	ii) Privilege Hi Tech Infrastructure Limited 11,900 (Previous year 11,900) Equity shares of ₹10/- each fully paid	0.85	1.19
		25.85	**26.19**
5	**DEFERRED TAX ASSETS**		
	Assets		
	Property, Plant & Equipment	11.45	10.38
	Total	**11.45**	**10.38**

	Particulars	Balance as at 31st Mar, 2016	Movement during the year		Balance as at 31st Mar, 2017
			Recognised in Profit & Loss	Recognised in Equity	
5.1	**MOVEMENT IN DEFERRED TAX BALANCES**				
	Property, Plant & Equipment	10.38	1.07	-	11.45
	Total	**10.38**	**1.07**	**0.00**	**11.45**

	Particulars	Balance as at 31st Mar, 2015	Movement during the year		Balance as at 31st Mar, 2016
			Recognised in Profit & Loss	Recognised in Equity	
5.2	**MOVEMENT IN DEFERRED TAX BALANCES**				
	Property, Plant & Equipment	8.97	1.42	-	10.39
	Total	**8.97**	**1.42**	**-**	**10.39**
	RECONCILIATION OF EFFECTIVE TAX RATE				
	Profit Before Tax		429.51	176.33	
	Current tax		-	54.23	
	Deferred tax		(1.07)	(1.42)	
	Tax of Prior years		(50.40)	4.58	
			(51.47)	**57.39**	
	A reconciliation of income tax expenses application to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31st March, 2017 and 31st March, 2016 as follows:				
	Profit Before Tax		**429.51**	**176.33**	
	Income tax				
	Statutory incometax rate of 21.34% (34.608%) on profit		91.66	61.02	
	Effect of exempt income, notional income and non-deductible expenses (net)		(92.73)	(8.22)	
	Tax expenses for current year		(1.07)	52.80	
	Adjustment of tax of Prior years		(50.40)	4.58	
	Tax expenses recognised in the Statement of Profit & Loss		(51.47)	57.38	

NOTES ON THE FINANCIAL STATEMENTS

(₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
6	**OTHER NON-CURRENT ASSETS**			
	Other advances			
	Security Deposits	11.91	11.91	11.91
	Income tax paid	14.72	-	4.95
	Others	299.84	414.09	539.58
	Total	**326.47**	**426.00**	**556.44**
7	**Inventories:**			
	Work-in-progress	157,339.06	106,647.78	77,049.37
	Finished goods	73.32	857.98	963.87
	Total	**157,412.38**	**107,505.76**	**78,013.24**
8	**TRADE RECEIVABLES**			
	Unsecured considered good	206.26	225.42	217.57
	Total	**206.26**	**225.42**	**217.57**
9	**CASH AND CASH EQUIVALENTS**			
	(i) Balances with Banks (of the nature of cash and cash equivalents);			
	Current accounts	1,254.68	51.55	134.41
	(ii) Cash on hand	0.97	14.79	14.79
	Total	**1,255.65**	**66.34**	**149.20**
10	**BANK BALANCES**			
	In Fixed Deposit with less than a year*	2.45	2.27	2.09
	Total	**2.45**	**2.27**	**2.09**
11	**OTHERS**			
	Other advances			
	Advances for land purchase /tenancy / claims / development rights	486.97	27,681.16	70,063.23
	Loans to employees	0.70	1.93	0.38
	Prepaid expenses	-	-	0.01
	Cenvat credit entitlement	38.58	34.23	29.72
	Total	**526.25**	**27,717.32**	**70,093.34**
12.	**EQUITY SHARE CAPITAL**			
	Authorised			
	1,61,05,000 (Previous year 1,61,05,000) Equity shares of ₹ 100/- each	**16,105.00**	**16,105.00**	**16,105.00**
	Issued, Subscribed and Paid up			
	1,61,05,000 (Previous year 1,61,05,000) Equity shares of ₹ 100/- each fully paid up	16,105.00	16,105.00	16,105.00
	Total	**16,105.00**	**16,105.00**	**16,105.00**
	Reconciliation of the number of shares outstanding :			
	Equity Shares	**Number**	**Number**	**Number**
	Shares outstanding at the beginning of the period	16,105,000	16,105,000	16,105,000
	Shares outstanding at the end of the period	16,105,000	16,105,000	16,105,000
	Terms / rights attached to shares :			
	The Company has only one class of shares i.e. equity shares of ₹ 100/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.			
	In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.			
	Shares in the Company held by each shareholder holding more than 5 percent :			
	Housing Development and Infrastructure Limited - Holding Company	1,61,05,000 98.50%	1,61,05,000 98.50%	1,61,05,000 98.50%

(₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
13.	**OTHER EQUITY**			
	Securities Premium Reserve	18,677.95	18,677.95	18,677.95
	General Reserves	447.38	447.38	447.38
	Retained Earnings	1,290.44	809.76	691.87
	Other Components of equity	813.51	813.51	-
	Total	**21,229.28**	**20,748.60**	**19,817.20**
14.	**NON CURRENT BORROWINGS**			
	Secured Long Term Borrowings :			
	Term Loans from Scheduled Banks	40,224.90	73,474.44	82,906.02
	Total	**40,224.90**	**73,474.44**	**82,906.02**

Details of securities and other terms and conditions provided:

Term Loans from Scheduled Bank :-

(i) Yes Bank Limited

Secured against Pari Passu charge on the immovable properties along with the structures built thereon, admeasuring 5,53,696 Sq. mtrs. Situated at village Kopari, District Thane, comprising of various survey numbers, admeasuring 4,18,006 Sq. mtrs further secured against Pari Passu charge on the Immovable properties situated at village Sasunavghar, District Thane, comprising of various survey numbers and pari-passu on all current assets of the project only including receivables/ future receipts pertaining to project. Rate of interest 15.00% (P.Y. 15.00%) p.a. payable monthly, Repayable after moratorium period of 48 months.

(ii) Bank of India

Secured against First Pari Passu charge on the immovable properties along with the structures built thereon situated at village Sasunavghar, District Thane. A first charge/assignment in favour of Lenders of all the operating cash flows, treasury income, revenues / receivables, Project Agreement of the Project. Rate of interest 15.45% (P.Y. 15.45%) p.a. payable monthly, Repayable after moratorium period of 48 months. Door to Door tenor is 96 months.

15.	**PROVISIONS (NON CURRENT)**			
	Provision for employee benefits			
	Gratuity	1.45	-	-
	Leave Encashment	4.07	3.64	3.16
	Total	**5.52**	**3.64**	**3.16**
16.	**TRADE PAYABLES (CURRENT)**			
	Micro, Small and Medium Enterprises	-	-	-
	Others	636.64	637.07	863.94
	Total	**636.64**	**637.07**	**863.94**

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in Lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
17.	**OTHER FINANCIAL LIABILITIES (CURRENT)**			
	Interest accrued and due on borrowings	6,570.93	3,355.01	2,866.74
	Total	**6,570.93**	**3,355.01**	**2,866.74**
18.	**OTHER CURRENT LIABILITIES**			
	Revenue received in advance	66,719.17	14,696.74	20,716.10
	Others			
	Statutory dues	55.48	47.46	45.08
	Others	8,250.74	6,896.87	5,782.75
	Total	**75,025.39**	**21,641.07**	**26,543.93**
19.	**PROVISIONS (CURRENT)**			
	Provision for employee benefits			
	Gratuity	8.78	8.48	5.47
	Leave Encashment	1.51	1.70	0.82
	Total	**10.29**	**10.18**	**6.29**
20.	**CURRENT TAX LIABILITIES (NET)**			
	Provision for taxation	32.28	82.68	28.82
	Less : Tax Paid	29.96	29.96	17.39
	Total	**2.32**	**52.72**	**11.43**

(₹ in Lacs)

	Particulars		Year ended 31st March, 2017	Year ended 31st March, 2016
21.	**REVENUE FROM OPERATIONS**			
	Sale of Product			
	Sale of development rights /FSI/Land /TDR		1,445.69	328.85
	Other operating income			
	Lease rental (Refer Note No. 32)		7.46	14.91
	Total		**1,453.15**	**343.76**
22.	**OTHER INCOME**			
	Interest received		0.24	0.29
	Dividend received (From Co-operative Bank)		3.00	3.00
	Total		**3.24**	**3.29**
23.	**COST OF MATERIALS CONSUMED**			
	Tenancy / claims / FSI / development rights/Land		-	969.90
	Cost of material consumed		39,943.51	15,357.37
	Total		**39,943.51**	**16,327.27**
24.	**CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK-IN-PROGRESS**			
	Opening finished goods		857.98	963.87
	Opening work-in-progress		106,647.78	77,862.88
		Subtotal	107,505.76	78,826.75
	Closing finished goods		73.32	857.98
	Closing work-in-progress		157,339.06	106,647.78
		Subtotal	157,412.38	107,505.76
	Total		**(49,906.62)**	**(28,679.01)**

NOTES ON THE FINANCIAL STATEMENTS

(₹ in Lacs)

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
25.	**EMPLOYEE BENEFITS EXPENSE**		
(i)	Salaries and incentives	72.31	73.25
(ii)	Contributions to - Provident and other funds	7.78	7.59
(iii)	Staff welfare expenses	1.71	1.14
Total		**81.80**	**81.98**
	As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :		
	The Company has created Employee's Group Gratuity Fund with Life Insurance Corporation of India, and obtained Group Gratuity Assurance Policy from LIC for the benefit of employees.		
A)	**Gratuity Plan :-**		
	Defined Benefit Plan		
	The employees' gratuity fund scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
(i)	**Reconciliation of defined benefit obligation**		
	Obligation at beginning of year	19.35	15.50
	Current service cost	1.70	1.52
	Interest cost	1.50	1.19
	Actuarial loss/(gain) due to change in financial assumptions	1.59	(0.40)
	Actuarial loss/ (gain) due to experience adjustments	(1.55)	1.54
	Benefits paid	(0.51)	-
	Obligation at year end	**22.08**	**19.35**
(ii)	**Reconciliation of plan assets**		
	Opening fair value of plan assets	10.87	10.03
	Interest Income	1.16	0.77
	Return on plan assets excluding amounts included in interest income	(0.26)	0.07
	Contributions by employer	0.57	-
	Benefits paid	(0.51)	-
	Closing fair value of plan assets	**11.83**	**10.87**
(iii)	**Funded status of the plan**		
	Present value of funded obligations	22.07	19.35
	Fair value of plan assets	11.84	10.87
	Net asset / (liability) recognised in the Balance Sheet	**(10.23)**	**(8.48)**
(iv)	**Profit and loss account for current year**		
	Current service cost	1.70	1.52
	Net interest cost	0.33	0.42
	Total included in 'Employee Benefit Expense'	2.03	1.94
	Total Charge to P&L	2.03	1.94
(v)	**Other Comprehensive Income for the current year**		
	Actuarial loss/(gain) due to change in financial assumptions	1.59	(0.40)
	Actuarial loss/ (gain) due to experience adjustments	(1.55)	1.54
	Return on plan assets excluding amounts included in interest income	0.26	(0.07)
	Amounts recognized in Other Comprehensive Income	0.30	1.07

(₹ in Lacs)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
B) Leave encashment liability :-		
The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
The following table set out the status of the leave encashment plan as required under IND AS - 19.		
(i) Reconciliation of defined benefit obligation		
Obligation at beginning of year	5.34	3.98
Current service cost	0.93	0.82
Interest cost	0.41	0.27
Actuarial loss/(gain) due to change in financial assumptions	0.35	0.05
Actuarial loss/(gain) due to change in demographic assumption	0.12	0.14
Actuarial loss/ (gain) due to experience adjustments	(1.58)	0.50
Benefits paid	-	(0.44)
Obligation at year end	**5.57**	**5.32**
(ii) Funded status of the plan		
Present value of unfunded obligations	5.58	5.34
Fair value of plan assets	-	-
Net asset / (liability) recognised in the Balance Sheet	**5.58**	**5.34**
(iii) Profit and loss account for current year		
Service cost:		
Current service cost	0.93	0.82
Net interest cost	0.41	0.27
Total included in 'Employee Benefit Expense'	1.34	1.09
Total Charge to P&L	**1.34**	**1.09**
(iv) Other Comprehensive Income for the current period		
Actuarial loss/(gain) due to change in financial assumptions	0.35	0.05
Actuarial loss/(gain) due to change in demographic assumption	0.12	0.14
Actuarial loss/ (gain) due to experience adjustments	(1.58)	0.50
Amounts recognised in other Comprehensive Income	**(1.11)**	**0.69**
C) Valuation Assumptions		
Considering the above stipulation in the case of gratuity and leave encashment, the following assumptions have been made.		
Discount Rate	7.20%	7.90%
Salary Growth	7.00%	7.00%
Mortality : Indian Assured Lives Mortality (2006-08) Withdrawals : 5% at younger ages reducing to 1% to older ages Retirement age : 60 years		
Leave Consumption Factors : 1.50% at all ages (previous year 0.09% at younger ages tapering to 1.25% at older ages)		
Method of Valuation : Projected Unit Credit Method		

(₹ in Lacs)

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
26.	**FINANCE COSTS**		
	Interest		
	Project specific interest expenses	10,839.41	12,309.12
	Other interest	1.94	4.76
	Total	**10,841.35**	**12,313.88**
27.	**OTHER EXPENSES**		
	Advertisement and sales promotion expenses	2.01	0.93
	Electricity charges	2.51	(30.66)
	Bank Charges	0.31	3.94
	Other expenses	1.61	5.58
	Printing and stationery	2.52	3.84
	Professional fees	27.68	30.34
	Rates and taxes	12.59	25.95
	Repairs and maintenance to other assets	-	0.09
	Stamping and registration	0.10	65.60
	Communication expenses	1.58	1.38
	Remuneration to auditors		
	Audit fees	8.50	8.53
	Taxation matters	1.50	1.50
	Directors sitting fees	1.01	0.80
	Donations	0.25	-
	Filing fees paid to the Registrar of Companies	0.08	0.17
	Total	**62.25**	**117.99**
	Above expenses includes Project related expenses	**31.96**	**66.77**
28	**EARNINGS PER EQUITY SHARE :-**		
	a. profit or loss attributable to equity shareholders		
	Profit for the year	480.69	117.88
		480.69	117.88
	b. weighted average number of equity shares of ₹ 10/- each	16,105,000	16,105,000
	EPS		
	- Basic ₹	2.98	0.73
	- Diluted ₹	2.98	0.73

29 RELATED PARTY DISCLOSURE

a. List of related parties with whom transactions have taken place during the year and relationship :

	Housing Development and Infrastructure Limited	Holding Company
b.	Key management personnel	Not applicable
c.	Enterprise influenced by key management personnel	Not applicable

d. Transactions with related party

(₹ in Lacs)

Nature of transaction	31st March, 2017				31st March, 2016			
	Holding Company	Associates	Key Management Personnel	Total	Holding Company	Associates	Key Management Personnel	Total
Advance for project	(27,543.44)	-	-	(27,543.44)	(42,116.35)	-	-	(42,116.35)
Sale of FSI	157.39	-	-	157.39	227.95	-	-	227.95
Outstanding as at year end (Advances for Goods and Services)- Due to	-	-	-	-	27,543.44	-	-	27,543.44

		Year ended 31st March, 2017	Year ended 31st March, 2016
	Disclosure in respect of material transactions with related parties during the year		
	Advance for Goods and Services		
	Housing Development and Infrastructure Limited	(27,543.44)	(42,116.35)
	Sale of FSI		
	Housing Development and Infrastructure Limited	157.39	227.95
	Outstanding as at year end (Advances for Goods and Services)- Due to		
	Housing Development and Infrastructure Limited	-	27,543.44
30	**CAPITAL COMMITMENTS**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	NIL	NIL
31	**CONTINGENT LIABILITIES NOT PROVIDED FOR**		
	(i) Income-tax demands disputed by the Company (net of amounts provided)	20.11	19.93
	(ii) Claims against the Company not acknowledged as debts (represents suits filed by the parties in the Court, and disputed by the Company)	10.50	10.50
32	**DISCLOSURE IN RESPECT OF OPERATING LEASES :**		
	Assets given on lease :		
	a) General description of leasing arrangement		
	i) Leased assets : Leasing of commercial premises.		
	ii) Future lease rentals are determined on the basis of agreed terms.		
	iii) At the expiry of the lease term, the Company agrees to record the new terms and condition of their agreement in relation to lease of the Premises.		
	b) Lease payment received for the year ₹ 7.46 Lacs (previous year ₹ 14.91 Lacs)		
		31st March, 2017	**31st March, 2016**
	c) Total minimum lease payments receivable		
	Not more than one year	-	14.91
	Not less than one year and not more than five years	-	-
	More than five years	-	-

33 i) The Company has provided security to its holding Company for securing following loans

Secured Loan - Non Convertible Debentures

Nil (previous year 2425) Secured Redeemable Non – Convertible Debentures

Secured by morgage of Immovable properties admeasuring to about 7,01,992 Sq. mtrs. situated at village Kasarali, District Thane and 1,47,341 Sq. mtrs. situated at Village Kopri, District Thane.

Secured Loan - Term loan

a) Jammu & Kashmir Bank

Secured by Immovable properties admeasuring 2,91,610 Sq. mtrs. situated at Village Kopri, District Thane, comprising of various survey numbers.

b) IL&FS - PMDO

Secured by registered mortgage of immovable properties admeasuring 96,750 Sq. mtrs. situated at village Doliv, 1,60,390 Sq. mtrs. situated at village Khardi, 94,710 Sq. mtrs. situated at Dahisar and 66,640 Sq. mtrs. situated at Kasarali, comprising of various survey numbers.

c) Allahabad Bank

Secured by 45,342 Sq. mtrs. of Immovable properties situated at Village Chandansar, Dist. Thane, comprising of various survey numbers.

d) Syndicate Bank

Secured Immovable properties admeasuring 87,220 Sq.mtrs. situated at Village Doliv, Koshimbe, Dist. Thane, comprising of various survey numbers.

ii) The Company has also provided security to its fellow subsidiary Company for securing following loan

Secured Loan - Term loan

Union Bank of India

Secured by registered mortgage of Non-agricultural property area admeasuring 1,23,365 Sq. mtrs. situated at Village Chandansar and area admeasuring 1,23,360 Sq. mtrs. situated at Village Doliv, Khardi, Koshimbi, Dahisar and Kasarali.

34. FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)

31st March, 2017	Carrying amounts		
	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assets			
Non Current			
Investments			
Investment in Equity instruments	25.85	-	25.85
Current			
Trade receivables	-	206.26	206.26
Cash and cash equivalents	-	1,255.65	1,255.65
Bank balances	-	2.45	2.45
Others	-	526.24	526.24
Financial Liabilities			
Non Current			
Borrowings	-	40,224.90	40,224.90

(₹ in Lacs)

31st March, 2017	Carrying amounts		
	Fair value through Other Comprehensive Income	Amortised cost	Total
Current			
Trade payables	-	636.64	636.64
Other financial liabilities	-	6,570.93	6,570.93

31st March, 2016	Carrying amounts		
	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assets			
Non Current			
Investments			
Investment in Equity instruments	26.19	-	26.19
Current			
Trade receivables	-	225.42	225.42
Cash and cash equivalents	-	66.34	66.34
Bank balances	-	2.27	2.27
Others	-	27,717.32	27,717.32
Financial Liabilities			
Non Current			
Borrowings	-	73,474.44	73,474.44
Current			
Trade payables	-	637.07	637.07
Other financial liabilities	-	3,355.01	3,355.01

1st April, 2015	Carrying amounts		
	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assets			
Non Current			
Investments			
Investment in Equity instruments	26.19	-	26.19
Current			
Trade receivables	-	217.57	217.57
Cash and cash equivalents	-	149.21	149.21
Bank balances	-	2.10	2.10
Others	-	70,093.34	70,093.34
Financial Liabilities			
Non Current			
Borrowings	-	82,906.02	82,906.02
Current			
Trade payables	-	863.94	863.94
Other financial liabilities	-	2,866.74	2,866.74

Carrying amount of Investment, Trade Receivables, Cash and Cash Equivalent, Bank balances, Other financial Assets, Trade payables and Other financial liabilities as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Company has fair valued the transaction of financial guarantee (under other financial liabilities) on the basis of internal compartable of a similar transaction with an unredated party. The fair value so determined will therefore be classified under level 2.

The Company has fair valued the transaction of financial guarantee (under Other Financial Liabilities) on the basis of internal comparatble of a similar transaction with an unrelated party. The fair value so determined will therefore be classified under Level 2. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair valued measurements and the cost represents estimate of fair valued within that range.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which the employees understand their roles and obligations.

c) The Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Trade Receivables**

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's Credit risk in this respect.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does no thave any significant concentration of credit risk.

The ageing of trade receivables is as follows:

(₹ in Lacs)

	31st March, 2017	31st March, 2016	01st April, 2015
Trade Receivables (Unsecured)			
Over six months	206.26	225.42	217.57
Less than six months	-	-	-
Total	**206.26**	**225.42**	**217.57**

The amounts reflected in the table above are not impaired as on the reporting date.

- **Project Deposits and Advances to Suppliers**

  The Company has given project deposits and Advances to Suppliers. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

  The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2017

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	7,500.00	19,201.00	13,523.90
Trade payables	636.64	-	-
Other financial liabilities	6,570.93	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	-	29,213.00	44,261.44
Trade payables	637.07	-	-
Other financial liabilities	3,355.01	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	-	12,775.00	70,131.02
Trade payables	863.94	-	-
Other financial liabilities	2,866.74	-	-

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

  Exposure to interest rate risk

  The interest rate profile of the Company's interest bearing financial instruments as reported to the management is as follows :

(₹ in Lacs)

	31st March, 2017	31st March, 2016	01st April, 2015
Financial Liabilities			
Variable rate instruments			
Borrowing			
- From Schedule Bank	40,224.90	73,474.44	82,906.02

Fair value sensitivity analysis for fixed rate instruments

Fixed rate financial assets / liabilities are carried out at amortised cost. Therefore they are not subject to interest rate risk since, neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposure outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

PARTICULARS	100 BP Increase	100 BP Decrease
31st March, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowing	(707.04)	707.04
31st March, 2016		
Financial Liabilities		
Variable rate instruments		
Borrowing	(771.71)	771.71

35. SPECIFIED BANK NOTES DISCLOSURE

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

PARTICULARS	SBN	Other Denomination notes	Total
Closing Cash in hand as on 8th November, 2016	-	0.47	0.47
Add : Permitted Receipts	-	1.00	1.00
Less : Permitted Payments	-	0.50	0.50
Less : Amount deposited in Banks	-	-	-
Amount withdrawan from Bank	-	-	-
Closing Cash in hand as on 30th December, 2016	-	0.97	0.97

36. CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

37. POST REPORTING EVENTS:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

38. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017

39. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

41. First-time adoption of Ind-AS

The transition as at April 1, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Optional Exemptions availed

i) Property, Plant & Equipment and Intangibles

As permitted by Ind As 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets.

B) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates, wherever applicable, for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVTOCI
- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind As. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

C) Reconciliations between Previous GAAP and Ind AS

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101

(₹ in Lacs)

		Net Profit Year ended 31.03.2016	Other Equity	
			31.03.2016	01.04.2015
Net Profit / Other Equity Under Previous Indian GAAP	**(A)**	117.88	19,935.09	19,817.21
Additional contributions during the year		-	-	-
Bank guarantee given by parent		-	813.51	-
Ind AS Adjustments	**(B)**	-	813.51	-
Net Profit / Other Equity as per IND AS	**(A + B)**	**117.88**	**20,748.60**	**19,817.21**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 29th May, 2017

For and on behalf of the Board of Directors

Rakesh Kumar Wadhawan
(Director)

Sarang Wadhawan
(Director)

Ashok Kumar Gupta
(Director)

Hazari Lal
(Director)

Sandhya Baliga
(Director)

NOTICE

To,

The Members

RAVIJYOT FINANCE AND LEASING PRIVATE LIMITED
Mumbai

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of Ravijyot Finance and Leasing Private Limited will be held on September 26, 2017, Tuesday, 12.00 P. M. (IS T), 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051, to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of Financial Statements:

To receive, consider and adopt, the Audited financial statements of the Company for the financial year ended March 31, 2017 and the Report of Board of Directors' and the Auditors' thereon.

Item No. 2: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Jayesh Tokershi Shah (DIN: 01266065), who retires by rotation and being eligible offers himself for re-appointment.

Item No. 3: Appointment of Director liable to retire by rotation:

To appoint a Director in place of Mr. Deepak Shirke (DIN: 07108915), who retires by rotation and being eligible offers himself for re-appointment.

Item No. 4: Appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors in place of Retiring Statutory Auditor:

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

"**RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) be and are hereby appointed as the Statutory Auditors of the Company and to hold the office from the conclusion of 22nd Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration including out of pocket expenses and applicable taxes as may be mutually agreed by and between the Board of Directors and the Auditor.

RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorised for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

By order of the Board of Directors

Place: Mumbai
Date : May 29, 2017

Director
(Venkatavarathan Iyengar)
(DIN: 00418374)

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE AGM. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION OR AUTHORITY, AS APPLICABLE.**

   A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

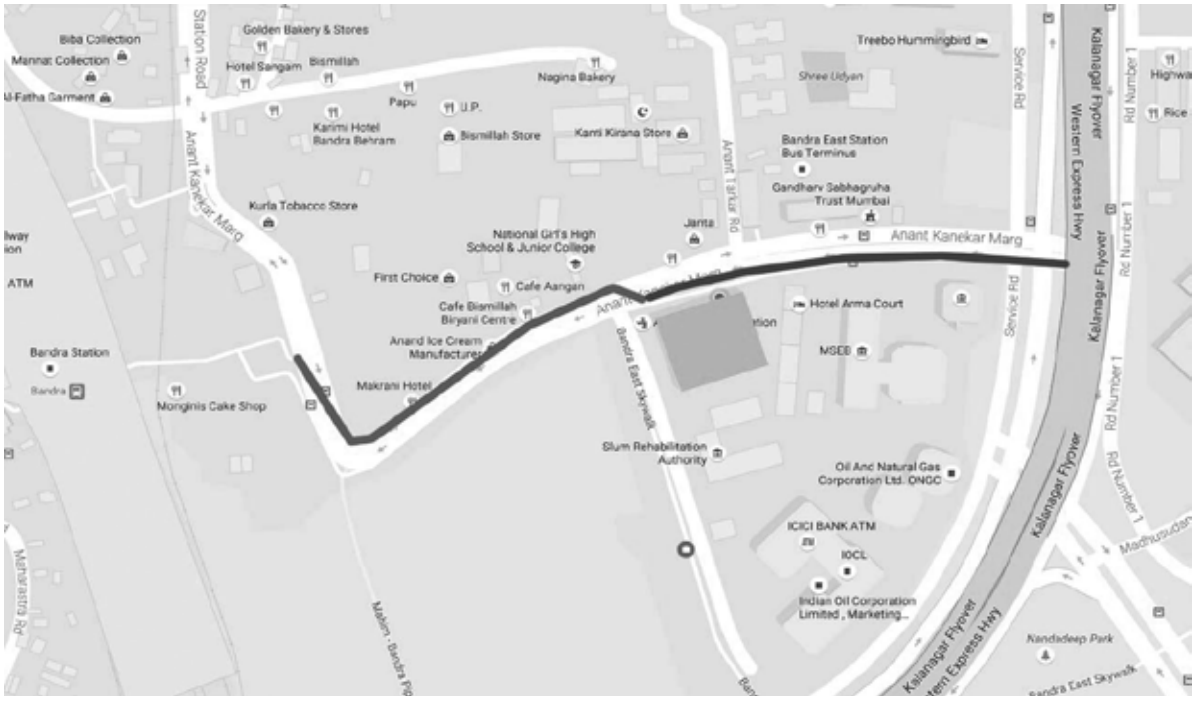
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

Venue : 3rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051.

(Directions from Bandra Railway Station)



EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following is the Explanatory Statement as required by Section 102 of the Companies Act, 2013 ("The Act"), sets out all material facts relating to Item No. 2, Item No. 3 and Item No. 4 mentioned in the accompanying Notice for convening the 22nd Annual General Meeting of the members of the Company:

Item No. 2

As stipulated under Secretarial Standard-2, brief profile of Mr. Jayesh Tokershi Shah, including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except Mr. Jayesh Tokershi Shah (DIN: 01266065) and his relatives, Mr. Ketan Tokershi Shah, being Brother and Mrs. Geeta Rasik Shah, Being sister of the Mr. Jayesh Tokershi Shah, to the extent of their shareholding interest, if any, in the Company, no other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

Item No. 3

As stipulated under Secretarial Standard-2, brief profile of Mr. Deepak Shirke (DIN: 07108915), including names of companies in which he holds directorships and memberships / chairmanships of Board Committees, is provided below in Table A.

Save and except Mr. Deepak Shirke and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Your Board recommends the Ordinary resolution as set out in this notice for your approval.

TABLE A- BRIEF PROFILE OF RE-APPOINTMENT OF DIRECTORS

Name of the Director	**Mr. Jayesh Tokershi Shah**	**Mr. Deepak Shirke**
DIN	**01266065**	**07108915**
Age	53 years	36 years
Experience	He has over 30 years of experience in Real Estate Industry. He has an expertise in purchase/ sale of land, project ideation and monitoring, liasioning with regulatory authorities, project & enterprise funding.	He has a rich experience of more than Seventeen years in the Real Estate Industry.
Terms and condition for Re-appointment	To be re-appointed as Non-Executive Director, liable to retire by rotation and for same, Sitting fees shall be paid as per the Section 197 of the Act and Rules thereunder.	To be re-appointed as Non-Executive Director, liable to retire by rotation and for same, Sitting fees shall be paid as per the Section 197 of the Act and Rules thereunder.
Detail of Remuneration	Nil	Nil
Date of First Appointment on board	March 20, 1995	March 14, 2015
Shareholding in the Company	33,250 Equity shares (6.65% of total shares capital of the Company).	NIL
Relationship with other director/ Manager and other KMP	Mr. Ketan Tokershi Shah - Brother Ms. Geeta Rasik Shah - Sister	None
Number of meetings attended during the financial year 2016-17.	1 (One)	5 (Five)
Directorships of other Board	- Ravi Real Estate Developers Private Limited	- HDIL Commercial Properties Private Limited
	- Ravi Ashish Land Developers Limited	- Sunshine Communication Private Limited
	- Ravi Agro-Tech Private Limited	- Excel Arcade Private Limited
	- Ravi Gruh Nirman Private Limited	- HDIL Securities Private Limited
	- Ravi Nirman Nigam Limited	- BKC Developers Private Limited

	- Ravijyot Finance and Leasing Private Limited	- HDIL Financial Services Private Limited
	- Vijaykamal Properties Private Limited	- Suansa Hospitality Services Private Limited
	- Ravi Townships and Infrastructures Private Limited	- Mazda Estates Private Limited
	- Ever Rise Constructions Private Limited	- Teknopoint Trading Company Private Limited
	- Rajdeep Realtors Private Limited	- Dreams The Mall Company Limited
	- The Mall Malad Management Company Limited	- Technocraft Media Private Limited
		- Privilege Distilleries and Breweries Private Limited
		- Microgate Trading Company Private Limited
		- Privilege Breweries Private Limited
Membership/Chairmanship of Committees of other Board	NIL	NIL

Item No. 4

Keeping in view the requirements set out in the Act, the Board of Directors of the Company have recommended appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company for the term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company. The first year of Audit by the aforesaid Auditors will be of the financial statement of the Company for the Financial Year ending March 31, 2018.

M/s. Rajeswari & Associates, Chartered Accountants have consented to and confirmed that their appointment, if made, be within the limits so specified under Section 141 (3)(g) of the Act. They have also confirmed that they are not disqualified to be appointed as Auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. The Board commends the Ordinary Resolution set out in Item No.4 of the Notice for approval by the members.

By order of the Board of Directors

Place: Mumbai
Date : May 29, 2017

Director
(Venkatavarathan Iyengar)
(DIN: 00418374)

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 22nd Annual Report of the Company together with the Audited Financial Statement for the Financial Year ("F.Y.") ended March 31, 2017.

BACKGROUND AND OPERATIONS:

Your Company is a subsidiary of Housing Development and Infrastructure Limited and the Company is engaged into real estate development.

LAND BANK:

Your Company holds land-bank admeasuring upto 429 acres located in Dahisar, Mumbai.

FINANCIAL PERFORMANCE:

Your Company's performance during the F.Y. ended March 31, 2017, as compared to the previous F.Y. is summarised below:

(₹ In Lacs)

Financial Results	For the year ended March 31, 2017	For the Year ended March 31, 2016
Total Revenue	-	-
Loss before Depriciation, Interest and Tax	(0.50)	(1.04)
Less: Depreciation	1.63	2.99
: Interest	-	-
Loss before Tax	**(2.13)**	**(4.03)**
Provision for Tax (including Deferred Tax)	(0.64)	0.11
Net Loss after Tax	**(1.49)**	**(4.14)**
Add: Surplus brought forward from previous year	(12.87)	(8.73)
Profit available for Appropriation	**(14.36)**	**(12.87)**
Appropriation:		
Transferred to General Reserve	-	-
Balance carried to Balance Sheet	(14.36)	(12.87)
TOTAL	**(14.36)**	**(12.87)**

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1st April, 2016, pursuant to the notification of Companies (Indian Accounting Standard) Rules, 2015 issued by the Ministry of Corporate Affairs. Previous year's figures have been restated to confirm to Ind AS.

COMPANY'S PERFORMANCE:

Your Company has incurred Loss of ₹ 1.49 lacs during the year as against Loss of ₹ 4.14 lacs in the previous year. The Directors are hopeful for a better performance in the upcoming years.

No material changes and commitments have occurred between the end of the F.Y. 2016 – 17 and the date of this report, which affect the financial position of the Company.

DIVIDEND:

In view of losses for the year, your Directors do not recommend payment of any dividend for the F.Y. ended March 31, 2017.

SHARE CAPITAL:

The paid-up equity share capital of the Company as at March 31, 2017 was ₹ 50.00 Lakhs (Rupees Fifty Lakhs Only). During the F.Y. 2016-17, there was no change in the issued, subscribed and paid up share capital of the Company.

RESERVES:

In view of losses for the year, no amount has been transferred to reserves.

DEPOSITS:

The Company has not accepted deposit from the public, falling within the ambit of Section 73 to 76 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

An extract of the Annual Return as prescribed under Section 92(3) of the Act and the Companies (Management and Administration) Rules, 2014, framed thereunder, is annexed as **Annexure 'A'**.

BOARD MEETING:

The Board meets at regular intervals to discuss and decide on various business strategies and policies apart from the routine operations. The Board of Director met 5 times during the F.Y. 2016-17; on 28/05/2016, 10/09/2016, 18/11/2016, 12/12/2016 & 14/02/2017.

- Attendance by the Directors in the Board Meeting

The Board duly met 5 times during the FY 2016-17. The details of Directors, their attendance at Board Meeting and at the previous Annual General Meeting of the Company are given below :

Name of the Directors	Director Identification Number	Attendance		
		No. of Board Meetings held during FY 2016-17	No. of Board Meeting Attended	Last AGM Attendance
Mr. Venkatavarathan Iyengar	00418374	5	5	Yes
Mr. Deepak Shirke	07108915		5	Yes
Mr. Satyajeet Yashwant Hire	07108938		5	Yes
Mr. Jayesh Tokershi Shah	01266065		1	Yes
Mr. Ketan Tokershi Shah	01285374		1	Yes
Ms. Geeta Rasik Shah	01389902		1	Yes
Mr. Hazari lal	06696100		2	Yes
Ms. Sandhya Baliga	07015987		2	Yes

**Hazari Lal and Ms. Sandhya Baliga resigned as Director in the Board Meeting held on September 10, 2016*

DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Act:

a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis and

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

APPOINTMENT OF DIRECTOR AND KEY MANAGERIAL PERSONNEL :

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Deepak Shirke, Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting. Appropriate resolutions for their re-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the explanatory statement of the Notice convening the 22nd AGM of your Company.

Further, Mr. Hazari lal and Ms. Sandhya Baliga (Independent Director) have resigned from the Board w.e.f. September 10, 2016. The Board places on record their appreciation and gratitude for their guidance and contribution during their association with the Company.

COMMITTEES OF THE BOARD:

Your Company had following committees of the Board during the FY 2016-17:

- Audit Committee
- Nomination and Remuneration Committee,

But with regards to non-applicability of Section 177 & 178 of the Companies Act, 2013; the Company in its board meeting held on September 10, 2017 has dissolved the said Committee's and its Operation.

As on March 31, 2017, your Company doesn't constitute any Committee.

STATUTORY AUDITORS:

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, it is mandatory for the Company to rotate the current Statutory

Auditors, M/s. Thar & Co., Chartered Accountants (Firm Registration No. 110958W) on completion of maximum term permitted under the said section which is due at the ensuing Annual General Meeting.

Accordingly, the Board of Directors of the Company recommended the appointment of M/s. Rajeswari & Associates, Chartered Accountant, (Firm Registration No. 123005W) as Statutory Auditors of the Company. M/s. Rajeswari & Associates will hold office for a period of five consecutive years from the conclusion of the 22nd Annual General Meeting of the Company, till the conclusion of 27th Annual General Meeting, subject to the approval of the Shareholder of the Company. The first year of audit will be of the financial year ending March 31, 2018.

EXPLANATION ON AUDITORS' REPORT:

As regards the observation by the Auditor in the Auditors' Report regarding delay in payment of Statutory dues, the Company will take remedial measures to pay the same and ensure non-occurrence of such event in future.

There are no qualifications, reservations, adverse remarks or disclaimers other than as stated above by Auditors in their Report dated May 29, 2017, on the Financial Statements of the Company for F.Y. 2016-17.

MANAGERIAL REMUNERATION:

As Company has not paid any remuneration to any Directors, the company is not required to make disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL FINANCIAL CONTROL:

Your Company has in place adequate internal financial controls with reference to financial statements and that ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Pursuant to Section 186 of the Act, particulars of the loans given, investments made, guarantees given and securities provided alongwith the purpose for which the loan or guarantee or security is proposed to be utilised by such recipient are provided under respective notes in Financial Statements.

RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties during the F.Y. 2016-17 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Act, are not attracted and hence the disclosure in form AOC-2 is not required.

Suitable disclosures as required under Ind AS-24 have been made in Note 18 of the Notes to the financial statements.

RISK MANAGEMENT:

Risk Management is an integral part of the Company's business strategy and taking that into consideration, your Company monitors risk tolerance limits, reviews and analyses risk exposure related to specific issues and provides oversight of risk across the organization.

The Board has in place a Risk Management policy to manage risk through a detailed policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information as required under Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014, in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the F.Y. 2016-17.

During the F.Y. 2016-17, the Company has neither earned nor used any foreign exchange.

REGULATORY ACTION:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and future operations of the Company.

APPRECIATION:

Your Directors express their sincere thanks to the Bank, Business Associates and Government Authorities for their assistance and co-operation extended from time to time.

For and on behalf of the Board of Directors

	(Mr. Venkatavarathan Iyengar)	**(Mr. Jayesh Shah)**
Place: Mumbai	**Director**	**Director**
Date: May 29, 2017	**DIN: 00418374**	**DIN: 01266065**

ANNEXURE 'A'

FORM NO. MGT 9

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

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

I. REGISTRATION AND OTHER DETAILS:

CIN	U67120MH1995PTC086603
Registration Date	March 20, 1995
Name of the Company	Ravijyot Finance and Leasing Private Limited
Category/Sub-category of the Company	Company Limited by Shares, Indian Non-Government Company
Address of the Registered office & contact details	Laxmi Palace, Mathuradas Road,
	Kandivali (West), Mumbai – 400 067
	Tel: +91 22 6788 9000
	Fax: +91 22 6788 9090
	e-mail id: darshan.majmudar@hdil.in
Whether listed Company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate Activities with own or leased property	6810	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Housing Development and Infrastructure Limited	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	L70100MH1996PLC101379	Holding	60.00	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	1,99,500	1,99,500	39.90	-	1,99,500	1,99,500	39.90	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	3,00,000	3,00,000	60.00	-	3,00,000	3,00,000	60.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	**-**	**4,99,500**	**4,99,500**	**99.90**	**-**	**4,99,500**	**4,99,500**	**99.90**	**-**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	**-**	**4,99,500**	**4,99,500**	**99.90**	**-**	**4,99,500**	**4,99,500**	**99.90**	**-**

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. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non-Institutions									
a) Bodies Corp.:	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lac	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Hindu Undivided Family (HUF)	-	500	500	0.10	-	500	500	0.10	-
Sub-total (B)(2)	**-**	**500**	**500**	**0.10**	**-**	**500**	**500**	**0.10**	**-**
Total Public Shareholding									
(B) = (B)(1) + (B)(2)	**-**	**500**	**500**	**0.10**	**-**	**500**	**500**	**0.10**	**-**
C. Shares held by Custodian for GDRs and ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**-**	**5,00,000**	**5,00,000**	**100.00**	**-**	**5,00,000**	**5,00,000**	**100.00**	**-**

(ii) Shareholding of Promoter:

Sr. No.	Shareholder's 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	Housing Development and Infrastructure Limited	3,00,000	60.00	-	3,00,000	60.00	-	-
2	Mr. Jayesh Tokershi Shah	33,250	6.65	-	33,250	6.65	-	-
3	Mr. Ketan Tokershi Shah	33,250	6.65	-	33,250	6.65	-	-
4	Mrs. Geeta Rasik Shah	33,250	6.65	-	33,250	6.65	-	-
5	Mr. Tokershi Shah	33,250	6.65	-	33,250	6.65	-	-
6	Mrs. Sonal Jayesh Shah	33,250	6.65	-	33,250	6.65	-	-
7	Mrs. Usha Ketan Shah	33,250	6.65	-	33,250	6.65	-	-
	Total	**4,99,500**	**99.90**	**-**	**4,99,500**	**99.90**	**-**	**-**

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

Sr. No.	Particulars	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
	At the beginning of the year	-	-	-	-
	Date wise increase / (decrease) in Promoters Shareholding during the year specifying the reason for increase/ (decrease):	-	-	-	-
	At the end of the year	-	-	-	-

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
Tokershi Shivji Shah (HUF)	500	0.10	-	-	500	0.10

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	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
	At the beginning of the year: Directors and KMP:				
1	Mr. Venkatavarathan Iyengar	-	-	-	-
2	Mr. Deepak Shirke	-	-	-	-
3	Mr. Satyajeet Hire	-	-	-	-
4	Mrs. Sandhya Baliga*	-	-	-	-
5	Mr. Hazari Lal*	-	-	-	-
6	Mr. Jayesh Shah	33,250	6.65	33,250	6.65
7	Mr. Ketan Shah	33,250	6.65	33,250	6.65
8	Mrs. Geeta Shah	33,250	6.65	33,250	6.65
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year: Directors and KMP:				
1	Mr. Venkatavarathan Iyengar	-	-	-	-
2	Mr. Deepak Shirke	-	-	-	-
3	Mr. Satyajeet Hire	-	-	-	-
4	Mr. Jayesh Shah	33,250	6.65	33,250	6.65
5	Mr. Ketan Shah	33,250	6.65	33,250	6.65
6	Mrs. Geeta Shah	33,250	6.65	33,250	6.65

*Mr. Hazari lal and Ms. Sandhya Baliga ceased to be Director w.e.f September 10, 2016.

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/ accrued but not due for payment:

(₹ in Lacs)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
1	**Independent Directors**	**Mrs. Sandhya Baliga**	**Mr. Hazari Lal**					
	Fee for attending Board / Committee Meetings	0.10*	0.10*					0.20*
	Commission	-	-					-
	Others, please specify	-	-					-
	Total (1)	**0.10***	**0.10***					**0.20***
2	**Other Non-Executive Directors**	**Mr. Venkatavarathan Iyengar**	**Mr. Deepak Shirke**	**Mr. Satyajeet Hire**	**Mr. Jayesh Shah**	**Mr. Ketan Shah**	**Mrs. Geeta Shah**	**-**
	Fee for attending Board / Committee Meetings	-	-	-	-	-	-	
	Commission	-	-	-	-	-	-	
	Others, please specify	-	-	-	-	-	-	
	Total (2)	**-**	**-**	**-**	**-**	**-**	**-**	
	Total (B) = (1+2)							**0.20***
	Ceiling as per the Act	Not Applicable as only sitting fees paid						

*** Sitting fees paid for the part of the year.**

C. Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

(Mr. Venkatavarathan Iyengar)
Director
DIN: 00418374

(Mr. Deepak Shirke)
Director
DIN: 07108915

Place: Mumbai
Date: May 29, 2017

INDEPENDENT AUDITORS' REPORT

To the Members of **RAVIJYOT FINANCE & LEASING PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying Financial Statements of **RAVIJYOT FINANCE & LEASING PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, 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 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 of 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.

Auditors' 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 thereunder.

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 purpose of expressing an opinion on whether the Company has in place of adequate internal financial control system over financial reporting and 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, 2017 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, 2017 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss and the 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Note 16 to the financial statement;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Company. Refer Note No. 20 to the Ind AS financial statements.

For Thar & Co.,

Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar

Partner

Membership No.: 032917

Place: Mumbai

Date : 29th May, 2017

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the financial statements for the year ended on 31st March, 2017 of **RAVIJYOT FINANCE AND LEASING PRIVATE LIMITED**:

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

(b) All the Fixed Assets have been physically verified by the management in a phased manner, over a period of one year, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Title deeds of the immovable property are held in the name of the company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of inventory records, no material discrepancy was discovered during the period.

(iii) The Company has not granted any loans to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.

(iv) The Company has not granted any Loans or Guarantee to directors or made any investments as mentioned in the Section 185 and Section 186 of the Act and hence the provisions of clause (iv) are not applicable to the Company.

(v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.

(vi) As the aggregate value of turnover of the Company during the immediately preceding financial year did not exceed rupees thirty five crores, the provisions of Companies (cost records and audit) Rules, 2014 notified by the Central Government under Section 148 of the Act are not applicable to the Company for the current financial year.

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed amount of statutory dues in respect of Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, VAT, cess and other material applicable statutory dues as applicable with the appropriate authorities and as on 31st March, 2017, no such dues were outstanding for a period of more than six months from the date they became payable except for the following:

Nature of dues (including interest)	₹ in Lakhs
Service Tax	0.85

(b) According to the information and explanations given to us, there are no material dues of service tax, value added tax, wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute, except following Income Tax demand:

Name of The Statute	Nature of Dues	Forum where the Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in Lakhs)	Amount unpaid
Income Tax Act, 1961	Income Tax Demand	CIT Appeals	F.Y. 2012-13	27.80	27.80

(viii) The Company does not have any dues to Banks, Financial Institutions or Debenture Holders and accordingly the provisions of clause of the paragraph 3 of the Order are not applicable to the Company.

(ix) The Company has not raised money through initial public offers or debt instruments or term loans during the financial year.

(x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company has been noticed or reported during the course of our audit.

(xi) The Company has not paid Managerial Remuneration during the year hence the provisions of clause (xi) of Paragraph 3 of the Order are not applicable.

(xii) The Company is not a Nidhi Company as specified by the Act and hence the provisions under clause (xii) of Paragraph 3 of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company's transactions with its related party are in compliance with Sections 177 and 188 of the Companies Act, 2013 and where applicable the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of Paragraph 3 of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under clause (xv) of Paragraph 3 of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No. 032917

Place: Mumbai
Date : 29th May, 2017

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **M/S RAVIJYOT FINANCE AND LEASING PRIVATE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No. 032917

Place : Mumbai
Date : 29th May, 2017

BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	1st April, 2015
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	4.75	6.38	9.36
(b) Deferred tax assets (net)	3	5.83	5.19	5.30
(c) Other non-current assets	4	1.26	0.26	0.26
Current assets				
(a) Inventories	5	19,273.33	19,270.13	19,268.74
(b) Financial Assets				
(i) Cash and cash equivalents	6	1.63	3.10	3.02
(ii) Others	7	478.67	480.88	482.28
Total Assets		**19,765.47**	**19,765.94**	**19,768.96**
EQUITY AND LIABILITIES				
(a) Equity Share capital	8	50.00	50.00	50.00
(b) Other Equity	9	(14.36)	(12.87)	(8.73)
LIABILITIES				
Non-Current liabilities		-	-	-
Current liabilities				
(a) Financial Liabilities				
Trade payables	10	4.84	4.55	4.55
(b) Other current liabilities	11	19,724.99	19,724.26	19,723.14
Total Equity and Liabilities		**19,765.47**	**19,765.94**	**19,768.96**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Jayesh T Shah
(Director)

Venkatavarthan Iyengar
(Director)

Deepak M Shirke
(Director)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	**Revenue From Operations**		-	-
II	Other Income		-	-
III	**Total Income (I+II)**		**-**	**-**
IV	**Expenses:**			
	Cost of materials consumed	12	1.66	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	13	(3.20)	(1.39)
	Depreciation and amortization expense	2	1.62	2.98
	Other expenses	14	2.05	2.43
	Total expenses (IV)		**2.13**	**4.02**
V	Profit/(loss) before exceptional items and tax (III- IV)		(2.13)	(4.02)
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		(2.13)	(4.02)
VIII	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		(0.64)	0.11
			(0.64)	0.11
IX	**Profit/(Loss) for the year from continuing operations (VII-VIII)**		**(1.49)**	**(4.13)**
X	**Profit/(Loss) from discontinued operations**		-	-
XI	**Tax expense of discontinued operations**		-	-
XII	**Profit/(loss) from Discontinued operations (after tax) (X-XI)**		-	-
XIII	**Profit/(loss) for the year (IX+XII)**		**(1.49)**	**(4.13)**
XIV	**Other Comprehensive Income**			
			-	**-**
XV	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)**		**(1.49)**	**(4.13)**
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		(0.30)	(0.83)
	(2) Diluted		(0.30)	(0.83)
XVII	Earnings per equity share (for discontined operation):			
	(1) Basic			
	(2) Diluted			
XVIII	Earnings per equity share (for discontined & continuing operations):			
	(1) Basic		(0.30)	(0.83)
	(2) Diluted		(0.30)	(0.83)

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Jayesh T Shah
(Director)

Venkatavarthan Iyengar
(Director)

Deepak M Shirke
(Director)

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

Particulars		31st March, 2017		31st March, 2016	
A.	**Cash flow from operating activities**				
	Net profit before tax		(2.13)		(4.02)
	Adjustments for :				
	Depreciation		1.62		2.98
	Operating profit before working capital changes		(0.51)		(1.04)
	Movements in working capital :				
	Decrease / (Increase) in Work in progress	(3.19)		(1.40)	
	Decrease / (Increase) in other receivables	1.21		1.40	
	(Decrease) / Increase in trade payables and other current liabilities	1.02		1.11	
	Net movement in working capital		(0.96)		1.12
	Cash used in operations		(1.47)		0.08
	Less : Direct taxes paid (net of refunds)		-		-
	Net cash used in operating activities		(1.47)		0.08
B.	**Cash flows from financing activities**				
	Repayment of borrowings		-		-
C.	Net cash from financing activities		-		-
	Net increase/decrease in cash and cash equivalents (A + B + C)		(1.47)		0.08
	Cash and cash equivalents at the beginning of the year		3.10		3.02
	Cash and cash equivalents at the end of the year		**1.63**		**3.10**
	Components of Cash and cash equivalents for the year ended		**31-Mar-2017**		**31-Mar-2016**
	Cash on hand		0.80		2.16
	With banks - On Current account		0.83		0.94
			1.63		**3.10**

Notes:

1) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 "Cash Flow Statement".
2) Figures in the brackets indicate outflow.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Jayesh T Shah
(Director)

Venkatavarthan Iyengar
(Director)

Deepak M Shirke
(Director)

NOTES ON THE FINANCIAL STATEMENTS

A. Equity Share Capital

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	50.00	50.00
Change in Equity Share capital during the year	-	-
Balance at the end of the year	**50.00**	**50.00**

B. Other Equity

Particulars	Reserves & Surplus Retained Earnings	Total Equity
As at 1st April, 2015	(8.73)	(8.73)
Profit for the year	(4.14)	(4.14)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	(4.13)	(4.13)
Balance as at 31st March, 2016	**(12.87)**	**(12.87)**

Particulars	Reserves & Surplus Retained Earnings	Total Equity
Balance as at 31st March, 2016	**(12.87)**	**(12.87)**
Profit for the year	(1.49)	(1.49)
Other Comprehensive Income for the year	-	-
Total Comprehensive income for the year	**(1.49)**	**(1.49)**
Balance as at 31st March, 2017	**(14.36)**	**(14.36)**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Jayesh T Shah
(Director)

Venkatavarthan Iyengar
(Director)

Deepak M Shirke
(Director)

NOTES ON FORMING PART OF THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Ravijyot Finance & Leasing Private Limited is engaged primarily in the business of real estate construction, development and other related activities. The Company is Private Limited Company incorporated and domiciled in India having its registered office at Laxmi Palace, 76, Mathuradas Road, Kandivali (West), Mumbai - 400067.

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 (`Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April, 2015 the Company's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 25. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Company has already commenced the recognisation of the revenue from the projects, the Company follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale: -

- Unit in real estate: -

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Company, being the currency of the primary economic environment in which the Company operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted for at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognised as income or as expenses in the year in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Company has both defined benefit and defined contribution schemes for its employees. For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions. For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Company's contributions paid / payable towards the defined contribution plan is recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognised in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate."

ii) Deferred tax

Deferred tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

g) Property, plant and equipments

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the year in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

i) Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the year they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Company's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, Floor Space Index and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the Company.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

  Amortised Cost

  A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding."

  Fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met: The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method."

  Fair value through Profit and Loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

- **Equity investments**

  The Company subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established.

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Company derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Company, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

  Reclassification of financial assets and Liabilities

  The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available. The amounts recognised represent the Company's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares to the public.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Company is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

(₹ in lacs)

	Particulars	Furniture and Fixtures	Office Equipments	Computers	Total
2	**PROPERTY, PLANT AND EQUIPMENT**				
	Cost				
	At 1st April, 2015	7.30	1.67	0.39	9.36
	Addition	-	-	-	-
	Disposals	-	-	-	-
	At 31st March, 2016	**7.30**	**1.67**	**0.39**	**9.36**
	Addition	-	-	-	-
	Disposals	-	-	-	-
	At 31st March, 2017	**7.30**	**1.67**	**0.39**	**9.36**
	Depreciation				
	At 1st April, 2015	-	-	-	-
	Depreciation charge for the year	1.38	1.32	0.28	2.98
	Disposals	-	-	-	-
	At 31st March, 2016	**1.38**	**1.32**	**0.28**	**2.98**
	Depreciation charge for the year	1.36	0.14	0.12	1.62
	Disposals	-	-	-	-
	At 31st March, 2017	**2.74**	**1.46**	**0.40**	**4.60**
	Net book value				
	At 31st March, 2017	4.56	0.21	-	4.75
	At 31st March, 2016	5.92	0.35	0.11	6.38
	At 1st April, 2015	7.30	1.67	0.39	9.36

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
3.	**DEFERRED TAX ASSETS**			
	Assets			
	Unabsorbed depreciation	4.91	4.43	4.57
	Property, Plant & Equipment and Intangible Assets	0.92	0.76	0.73
		5.83	**5.19**	**5.30**

	Particulars	Balance as at 31st Mar, 2016	Movement during the year		Balance as at 31st Mar, 2017
			Recognised in Profit & Loss	Recognised in Equity	
3.1	**Movement in Deferred Tax Balances**				
	Unabsorbed Depreciation	4.43	0.48	-	4.91
	Property, Plant & Equipment and Intangible Assets	0.76	0.16	-	0.92
		5.19	**0.64**	**-**	**5.83**

	Particulars	Balance as at 1st April, 2015	Movement during the year		Balance as at 31st Mar, 2016
			Recognised in Profit & Loss	Recognised in Equity	
3.2	**Movement in Deferred Tax Balances**				
	Unabsorbed Depreciation	4.57	(0.14)	-	4.43
	Property, Plant & Equipment and Intangible Assets	0.73	0.03	-	0.76
		5.30	**(0.11)**	**-**	**5.19**

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
4.	**OTHER NON-CURRENT ASSETS**			
	Other advances			
	Security Deposits	0.26	0.26	0.26
	Income tax paid	1.00	-	-
		1.26	**0.26**	**0.26**
5.	**INVENTORIES:**			
	Work-in-progress	19,273.33	19,270.13	19,268.74
		19,273.33	**19,270.13**	**19,268.74**
6.	**CASH AND CASH EQUIVALENTS**			
	(i) Balances with Banks (of the nature of cash and cash equivalents);			
	Current accounts	0.83	0.94	0.86
	(ii) Cash on hand	0.80	2.16	2.16
	Total	**1.63**	**3.10**	**3.02**
7.	**OTHERS**			
	(i) Advances to related parties			
	Other related parties	282.21	284.42	286.27
	(ii) Other advances			
	Advance to suppliers	0.30	0.30	0.30
	Advances for land purchase /tenancy / claims / development rights	196.16	196.16	195.71
		478.67	**480.88**	**482.28**
8.	**Equity Share Capital**			
	Authorised			
	5,00,000 (Previous year 5,00,000) Equity shares of ₹ 10/- each	50.00	50.00	50.00
		50.00	**50.00**	**50.00**
	Issued, Subscribed and Paid up			
	5,00,000 (Previous year 5,00,000) Equity shares of ₹ 10/- each	50.00	50.00	50.00
		50.00	**50.00**	**50.00**

i) Reconciliation of the number of shares outstanding :

Particulars	Number	Number	Number
Equity Shares			
Shares outstanding at the beginning of the year	500,000	500,000	500,000
Shares Issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	**500,000**	**500,000**	**500,000**

Terms / rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

ii) Shares in the Company held by each shareholder holding more than 5 percent :

Housing Development and Infrastructure Limited - Holding Company	Number %	3,00,000 60%	3,00,000 60%	3,00,000 60%
Jayesh T Shah	Number %	33,250 6.65%	33,250 6.65%	33,250 6.65%
Ketan T Shah	Number %	33,250 6.65%	33,250 6.65%	33,250 6.65%
Geeta R Shah	Number %	33,250 6.65%	33,250 6.65%	33,250 6.65%
Tokershi S Shah	Number %	33,250 6.65%	33,250 6.65%	33,250 6.65%
Sonal J Shah	Number %	33,250 6.65%	33,250 6.65%	33,250 6.65%
Usha K Shah	Number %	33,250 6.65%	33,250 6.65%	33,250 6.65%

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
9.	**CHANGE IN EQUITY**			
	Retained Earnings	(14.36)	(12.87)	(8.73)
		(14.36)	**(12.87)**	**(8.73)**
10.	**TRADE PAYABLES (CURRENT)**			
	Micro, Small and Medium Enterprises	-	-	-
	Others	4.84	4.55	4.55
		4.84	**4.55**	**4.55**

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

(₹ in lacs)

	Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 01st April, 2015
11.	**OTHER CURRENT LIABILITIES**			
	Others			
	Statutory dues	0.85	0.84	0.74
	Others	19,724.14	19,723.42	19,722.40
		19,724.99	**19,724.26**	**19,723.14**

	Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
12.	**COST OF MATERIALS CONSUMED**		
	Tenancy / claims / FSI / development rights/Land	-	-
	Cost of material consumed	1.66	-
		1.66	**-**
13.	**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**		
	Opening work-in-progress	19,270.13	19,268.74
	Subtotal	19,270.13	19,268.74
	Closing work-in-progress	19,273.33	19,270.13
	Subtotal	19,273.33	19,270.13
		(3.20)	**(1.39)**
14.	**OTHER EXPENSES**		
	Electricity charges	1.24	1.39
	Bank Charges	0.04	0.01
	Other expenses	0.06	0.05
	Printing and stationery	-	-
	Professional fees	0.30	0.16
	Audit fees	0.11	0.11
	Directors remuneration, commission and sitting fees	0.23	0.68
	Filing fees paid to the Registrar of Companies	0.07	0.03
	Total	**2.05**	**2.43**
	Above expenses includes Project related expenses	1.54	1.39
15.	**Earnings per Equity Share:**		
	Profit attributable to equity shareholders		
	Loss for the year/period	(1.49)	(4.13)
		(1.49)	(4.13)
	b. Weighted average number equity shares of ₹10/- each fully paid	500,000	500,000
	c. EPS		
	- Basic	(0.30)	(0.83)
	- Diluted	(0.30)	(0.83)
16.	**Contingent Liabilities not Provided for:**		
	Income-tax demands disputed by the Company (net of amounts provided)	27.80	Nil
17.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

28. Related party disclosure:

a) List of related parties with whom transactions have taken place during the year / period and relationship:

Housing Development and Infrastructure Limited - Holding Company

b) Key management personnel - Jayesh T. Shah

c) Enterprise significantly influenced by key management personnel

Ravi Developments - Partnership firm

d) Transaction with Related parties (₹ in Lacs)

Nature of transactions	31st March, 2017				31st March, 2016			
	Holding Company	Associates	Enterprise influenced by Key Management Personnel	Total	Holding Company	Associates	Enterprise influenced by Key Management Personnel	Total
Loans/advances repaid	-	-	2.21	2.21	-	-	1.85	1.85
Outstanding as at year / period end- Due from	-	-	282.21	282.21	-	-	284.42	284.42

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
DISCLOSURE IN RESPECT OF MATERIAL TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR/PERIOD LOANS / ADVANCES REPAID		
Housing Development and Infrastructure Limited	-	-
Ravi Developments	2.21	1.85
Outstanding as at year / period end- Due from		
Ravi Developments	282.21	284.42

19. Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

31st March, 2017	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Cash and cash equivalents	1.63	1.63
Others	478.67	478.67
Financial Liabilities		
Current		
Trade payables	4.84	4.84

31st March, 2016	Carrying amounts	
	Amortised cost	Total
Financial Assets		
Current		
Cash and cash equivalents	3.10	3.10
Others	480.88	480.88
Financial Liabilities		
Current		
Trade payables	4.55	4.55

1st April, 2015	Carrying amounts	
	Amortised cost	Total
Current		
Cash and cash equivalents	3.02	3.02
Others	482.28	482.28
Financial Liabilities		
Current		
Trade payables	4.55	4.55

Carrying amount of Cash and Cash Equivalent, Other financial Assets and Trade payables as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of other financial assets and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

C) Financial risk management

i) Risk management

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Loans to Related Parties and Deposits**

The Company has given loans to related parties and project depotis. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2017

(₹ in Lacs)

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	4.84	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	4.55	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Trade payables	4.55	-	-

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

20. Specified Bank Notes Disclosure

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

Particulars	SBN	Other denomination notes	Total
Closing cash in hand as on 8th November 2016	-	0.15	0.15
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	(0.20)	(0.20)
(-) Amount Deposited in Banks	-	-	-
(+) Amount withdrawn from Banks	-	1.00	1.00
Closing cash in hand as on 30th December 2016	-	0.95	0.95

21. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

22. Post Reporting Events:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

23. Authorisation Of Financial Statements

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 29th May, 2017.

24. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

25. First-time adoption of Ind-AS

The transition as at 1st April, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Optional Exemptions availed

i) Property, Plant & Equipment

As permitted by Ind As 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment.

B) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates, wherever applicable, for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVTOCI
- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

ii) Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind As. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

C) Reconciliation between previous GAAP and Ind AS

The exercise of transition of the balances under previous GAAP to Ind AS was carried out by the Company as on 1 April 2015 in accordance with Indian Accounting Standards and after considering the principles of the said standard, there have been no change in the balances of other equity, components of Balance Sheet and Profit and Loss account as on 1 April 2015 consequently as on 31st March, 2016.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants
Firm Registration Number: 110958W

Jayesh R. Thar
(Proprietor)
Membership No.: 032917

Place : Mumbai
Date : 29th May, 2017

For and on behalf of the Board of Directors

Jayesh T Shah
(Director)

Venkatavarthan Iyengar
(Director)

Deepak M Shirke
(Director)

INDEPENDENT AUDITORS' REPORT

To the Members of
Housing Development and Infrastructure Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Housing Development and Infrastructure Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder.

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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

(a) We did not audit the financial statements of two subsidiaries of the Company – (i) Lashkaria Construction Private Limited and (ii) HC Infracity Private Limited whose financial statements reflect total assets of ₹ 17,759.56 lacs as at 31st March, 2017, total revenue (net) of NIL and net cash flows amounting to ₹ -5.39 lacs for the year then ended, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the report of such other auditors.

(b) Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the reports of the other auditors and the financial statements /financial information certified by the Management.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books and report of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Companies, none of the Directors of the Group companies, is disqualified as on 31st March, 2017 from the 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 Consolidated Financial Statements disclosed the impact of pending litigations on its consolidated financial position of the Group – Refer Note 35 to the Consolidated Financial Statements;

ii. The Group did not have any material foreseeable losses on the long term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by the Holding Company and Subsidiary companies.

iv. The Holding Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Holding Company and the respective group entities, as produced to us and based on the consideration of report of other auditors, referred to in the Other Matters paragraph above. Refer Note No. 39 to the consolidated Ind AS financial statements.

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 30th May, 2017

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF M/S HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED.

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

We have audited the internal financial controls over financial reporting of **M/S HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **Thar & Co.,**
Chartered Accountants
Firm Registration No: 110958W

CA Jayesh R. Thar
Partner
Membership No.: 032917

Place : Mumbai
Date : 30th May, 2017

CONSOLIDATED BALANCE SHEET AS AT

(₹ in Lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016	01st April, 2015
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	2	11,657.46	13,140.68	11,993.85
(b) Investment Property	3	10,828.68	11,016.68	13,636.56
(c) Other Intangible assets	4	17.24	3.91	9.27
(d) Financial Assets				
(i) Investments	5	1,651.75	1,652.10	1,652.10
(ii) Others	6	92.32	94.49	88.56
(e) Other non-current assets	7	10,380.88	8,616.37	7,683.72
Current assets				
(a) Inventories	8	14,84,013.68	13,63,893.35	13,07,896.65
(b) Financial Assets				
(i) Investments	9	894.85	894.85	819.85
(ii) Trade receivables	10	30,666.45	26,350.64	30,417.33
(iii) Cash and cash equivalents	11	1,667.62	3,820.03	2,796.29
(iv) Bank balances other than (iii) above	12	11,030.99	10,387.99	16,078.18
(v) Financial Assets : Others	13	24,371.96	29,651.88	43,564.72
(c) Other current assets	14	2,41,289.95	2,94,814.91	3,26,081.66
Total Assets		**18,28,563.83**	**17,64,337.88**	**17,62,718.74**
EQUITY AND LIABILITIES				
(a) Equity Share capital	15	43,400.40	41,900.40	41,900.40
(b) Other Equity	16	11,04,199.93	10,72,251.64	10,39,306.55
(c) Minority interest		716.19	726.89	736.73
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	1,62,805.37	2,21,075.44	2,22,302.40
(ii) Other financial liabilities	18	189.29	200.17	211.08
(b) Provisions	19	337.69	227.15	167.23
(c) Deferred tax liabilities (Net)	20	3,206.78	1,958.86	2,050.23
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	21	84,850.62	61,896.24	48,437.51
(ii) Trade payables	22	53,911.75	48,978.12	44,643.17
(iii) Other financial liabilities	23	87,815.89	66,636.19	1,35,296.26
(b) Other current liabilities	24	2,70,418.16	2,33,305.00	2,06,178.81
(c) Provisions	25	415.34	472.64	269.64
(d) Current Tax Liabilities (Net)	26	16,296.42	14,709.14	21,218.73
Total Equity and Liabilities		**18,28,563.83**	**17,64,337.88**	**17,62,718.74**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	Note No.	31st March, 2017	31st March, 2016
I	Revenue From Operations	27	72,376.79	1,16,961.35
II	Other Income	28	3,451.16	2,312.67
III	**Total Income (I+II)**		**75,827.95**	**1,19,274.02**
IV	EXPENSES			
	Cost of materials consumed	29	1,17,824.68	81,348.45
	Changes in inventories of finished goods and work-in-progress	30	(1,16,154.27)	(55,058.47)
	Employee benefits expense	31	3,886.68	4,319.53
	Finance costs	32	42,824.48	51,412.21
	Depreciation and amortization expense	2,3,4	750.13	799.96
	Other expenses	33	5,528.24	8,865.45
	Total expenses (IV)		**54,659.94**	**91,687.13**
V	Profit before exceptional items and tax (III- IV)		21,168.01	27,586.89
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		21,168.01	27,586.89
VIII	Tax expense:			
	(1) Current tax		4,432.21	2,454.68
	(2) Deferred tax		1,247.92	(91.15)
	(3) Income tax in respect of earlier years		(2,400.00)	(7,712.54)
			3,280.13	**(5,349.01)**
IX	Profit (Loss) for the period from continuing operations (VII-VIII) (before minority interest, share of profit/(loss) in associates and jointly controlled entities)		17,887.88	32,935.90
X	Minority interest - share of (loss)/profit		(10.70)	(9.86)
XI	**Net profit after tax, minority interest and share of profit/(loss) of associates and jointly controlled entities**		**17,898.58**	**32,945.76**
XII	Other Comprehensive Income			
A	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		(43.74)	(0.65)
			(43.74)	**(0.65)**
XIII	**Total Comprehensive Income for the period (XI+XII) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)**		**17,854.84**	**32,945.11**
XIV	Earnings per equity share (for continuing operation):			
	(1) Basic		4.16	8.19
	(2) Diluted		4.16	8.19
	Accounting Policies	1		

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

A. Equity Share Capital

Particulars	31st March, 2017	31st March, 2016	01st April, 2015
Balance at the beginning of the year	41,900.40	41,900.40	41,900.40
Change in Equity Share capital during the year	1,500.00	-	-
Balance at the end of the year	**43,400.40**	**41,900.40**	**41,900.40**

B. Other Equity

	Reserves & Surplus						Total Equity
	Capital Reserve	Capital redemption reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserves	Retained Earnings	
As at 1st April, 2015	**6.00**	**62.07**	**4,91,116.65**	**70,227.21**	**5,13,605.53**	**(35,710.91)**	**10,39,306.56**
Profit for the year	-	-	-	-	-	32,945.75	32,945.75
Other Comprehensive Income for the year	-	-	-	-	-	(0.64)	(0.64)
Less : Loss of minority adjust against majority interest	-	-	-	-	-	(0.02)	(0.02)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**32,945.09**	**32,945.09**
Contributions by and distributions to owners							
Transfer to / from retained earnings	-	-	-	5,424.09	-	(5,424.09)	-
Transfer to General Reserve	-	-	-	(43,651.78)	43,651.78	-	-
Balance as at 31st March, 2016	**6.00**	**62.07**	**4,91,116.65**	**31,999.52**	**5,57,257.31**	**(8,189.91)**	**10,72,251.65**
Profit for the year	-	-	-	-	-	17,898.58	17,898.58
Other Comprehensive Income for the year	-	-	-	-	-	(43.74)	(43.74)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**17,854.84**	**17,854.84**
Contributions by and distributions to owners							
Addition due to issue during the period	-	-	13,500.00	-	-	-	13,500.00
Delink of Subsidiary	-	-	-	-	-	593.46	593.46
Transfer to General Reserve	-	-	-	(9,510.00)	9,510.00	-	-
Balance as at 31st March, 2017	**6.00**	**62.07**	**5,04,616.65**	**22,489.52**	**5,66,767.31**	**10,258.38**	**11,04,199.93**

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)

	Particulars	31st March, 2017		31st March, 2016	
A	**Cash flow from operating activities**				
	Net profit before tax		21,168.01		27,586.89
	Adjustments for :				
	Depreciation and amortisation expense	750.13		799.96	
	Interest expenses	42,824.48		51,412.21	
	Interest received	(1,047.57)		(1,539.68)	
	Dividend received	(11.73)		(11.73)	
	Profit on sale of Property, Plant & Equipment	(0.55)		360.78	
	Profit on sale of investments	(618.48)	41,896.28	-	51,021.54
	Operating profit before working capital changes		**63,064.29**		**78,608.43**
	Movements in working capital :				
	Decrease / (Increase) in inventory	(1,20,120.33)		(55,996.69)	
	Decrease / (Increase) in trade receivable	(4,315.81)		4,066.69	
	Decrease / (Increase) in other receivables	58,958.47		45,053.34	
	(Decrease) / Increase in trade and other payables	67,506.72		(617.12)	
	Net movement in working capital		2,029.05		(7,493.78)
	Cash generated from operations		65,093.34		71,114.65
	Less : Direct taxes paid (net of refunds)		2,360.87		1,270.72
	Net cash from operating activities		**62,732.47**		**69,843.93**
B	**Cash flows from investing activities**				
	(Increase) / Decrease in other investments	-		(100.00)	
	Proceeds from sale of investment	-		3,009.04	
	Interest received	1,047.57		1,539.68	
	Dividend received	11.73		11.73	
	Purchase of Property, Plant & Equipment	(28.67)		(3,188.26)	
	Proceeds from sale of investments	1,700.33		-	
	Sale of fixed assets	937.03		519.84	
	Net cash from investing activities		**3,667.99**		**1,792.03**
C	**Cash flows from financing activities**				
	Proceeds from borrowings	6,437.08		52,898.97	
	Repayment of borrowings	(47,411.13)		(79,213.55)	
	Increase in share capital including share premium	15,000.00		-	
	Interest paid	(42,824.48)		(51,412.21)	
	Net cash used in financing activities		(68,798.53)		(77,726.79)
	Net increase in cash and cash equivalents (A+B+C)		(2,398.07)		(6,090.83)
	Cash and cash equivalents at the beginning of the year		5,998.20		12,089.03
	Less : Delink of subsidiary		11.99		-
	Cash and cash equivalents at the end of the year		**3,588.14**		**5,998.20**
	Components of cash and cash equivalents as at		**31st Mar 2017**		**31st Mar 2016**
	Cash on hand		110.88		1,548.11
	With banks - on current account		1,490.41		409.01
	- on Escrow account		66.34		202.91
	- on deposit account		11,030.99		10,387.99
	- on DSRA		-		1,660.00
	- in Overdraft with Bank		(9,110.48)		(8,209.82)
	Total		**3,588.14**		**5,998.20**

Note : Figures in the brackets indicate outflow.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

1. Corporate Information

Housing Development and Infrastructure Limited ("HDIL") is engaged primarily in the business of real estate construction, development and other related activities. The Company is public limited Company incorporated and domiciled in India having its registered office at HDIL Towers, 9th Floor, Anant Kanekar Marg, Bandra (East), Mumbai- 400 050. The Company is listed on BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

The accompanying consolidated financial statements include the accounts of Housing Development And Infrastructure Limited(HDIL) and its subsidiaries collectively referred to as "the Group". All the subsidiaries have been incorporated in India. The details of the subsidiaries are as follows:

Name of the Subsidiaries	
Privilege Power and Infrastructure Private Limited	100%
Blue Star Realtors Private Limited	100%
Excel Arcade Private Limited (upto 4th March, 2017)	100%
Mazda Estates Private Limited	100%
Guruashish Construction Private Limited	100%
Ravijyot Finance and Leasing Private Limited	60%
BKC Developers Private Limited	99%
HC Infracity Private Limited	75%
Lashkaria Construction Private Limited	69%

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

These financial statements are prepared on going concern basis in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value and the provisions of the Companies Act, 2013 ('Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for year ending on 31st March, 2017 together with the comparative period as at and for the year ended 31st March, 2016. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1st April, 2015 the Group's date of transition to Ind AS.

Reconciliations and descriptions of the effect of the transition has been summarized in note 45.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use."

ii) Historic cost convention

The financial statements have been prepared on historic cost basis except for certain financial liabilities that are measured at fair value.

b) Revenue recognition

Revenue from the projects is recognised by applying Percentage of Completion Method in compliance of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, for the ongoing projects as on the date of introduction of Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and also where Group has already commenced the recognisation of the revenue from the projects, the Group follows completed project method of accounting ("Project Completion Method of Accounting") where in allocable expenses incurred during the year are debited to work-in-progress account and the income is accounted for as and when the projects get completed or substantially completed and also the revenue is recognised to the extent it is probable and the economic benefits will flow to the Group and the revenue can be reliably measured.

i) Sale: -

- Unit in real estate: -

  Revenue is recognised when the significant risks and rewards of ownership of the units in real estate have passed to the buyer.

- Sale / trading of goods and materials : -

  Sales are recognised when goods are supplied and are recorded net of returns, trade discounts, rebates and indirect taxes.

ii) Rent: -

Revenue is recognised on accrual basis.

iii) Interest: -

- Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.

iv) Dividends: -

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

v) Share of profit from joint ventures:-

Share of profit/(loss) from partnership firms is accounted for in respect of the financial year ending on or before the Balance Sheet date.

vi) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Operating Lease payments / revenue are recognised on straight line basis over the lease term in the statement of profit and loss, unless the lease agreement explicitly states that increase is on account of inflation.

d) Transactions in foreign currencies

The functional currency of the Group, being the currency of the primary economic environment in which the Group operates, is Indian Rupees ("₹"). The financial statements are presented in Indian Rupees.

i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.

ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.

iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

i) The Group operates both defined benefit and defined contribution schemes for its employees.

For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.

For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

ii) The Group recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.

iii) The Group's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

iv) Short-term employee benefits are expensed at the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns

with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

Deferred tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred tax arises from the initial recognition of an asset or liability that effects neither accounting nor taxable profit or loss at the time of transition.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

iii) Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognised as an asset only when, based on convincing evidence, it is probable that future economic benefits associated with it will flow to the Group and the assets can be measured reliably."

g) Property, plant and equipments and intangible assets

i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.

iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.

iv) Investment property

Investment properties are properties (land or a building—or part of a building—or both) held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including purchase price, borrowing costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and impairment, if any.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is included in the statement of profit and loss in the period in which the property is derecognised.

h) Depreciation / Amortisation on Property, Plant and Equipment / other intangible assets

i) Effective 1st April, 2014, depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Group for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.

ii) Based on an independent technical evaluation, the useful life of Mobile Phones has been estimated as 3 years, which is different from that prescribed in Schedule II of the Act.

i) Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

j) Impairment of Property, Plant & Equipment and intangible assets

The carrying amounts of the Group's property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there are indicators of impairment, an assessment is made to determine whether the asset's carrying value exceeds its recoverable amount. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

An impairment is recognised in income statement whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. The recoverable amount is the higher of net selling price, defined as the fair value less costs to sell, and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset for which estimates of future cash flows have not been adjusted.

An impairment loss for an individual asset or cash generating unit shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognised and is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment loss are recognised in the profit and loss statement.

k) Inventories

Inventories are valued as follows:

Inventory comprises of completed property for sale, transferable development rights, F.S.I. and projects in progress.

i) Completed property for sale and transferable development rights are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, acquisition of tenancy rights, materials, services, borrowing costs and other related overheads as the case may be.

ii) Projects in progress are valued at lower of cost or net realisable value. Cost formulae used are 'First-in-First-out'. Cost includes cost of land, land development rights, materials, services, borrowing costs, acquisition of tenancy rights and other related overheads. Cost incurred / items purchased specifically for projects are taken as consumed as and when incurred / received.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

iii) In the case of acquisition of land for development and construction, the rights are acquired from the owners of the land and the conveyance and registration thereof will be executed between the original owners and the ultimate purchasers as per trade practice. As a result, in the intermediate period, generally, the land is not registered in the name of the entity in a group.

l) Financial instruments

Financial instruments is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

ii) Subsequent Measurement - Financial Assets

Financial assets are classified into the following specified categories: amortised cost, financial assets 'at fair value through profit or loss' (FVTPL), 'Fair value through other comprehensive income' (FVTOCI). The classification depends on the Group's business model for managing the financial assets and the contractual terms of cash flows.

- **Debt Instrument**

Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets and

The asset's contractual cash flows represent solely payments of principle and interest. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Fair value through Profit and Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss.

- **Equity investments**

  The Group subsequently measures all equity investments, other than investment in subsidiary at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payment is established."

- **Investment in subsidiaries**

  Investment in subsidiaries is carried at cost less impairment loss, if any in the separate financial statements.

- **Derecognition of financial assets**

  The Group derecognises a financial asset when the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset.

- **Impairment of financial assets**

  The Group, after performing internal assessments, recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

  Financial liability are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at FVTPL (fair value through profit or loss)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Derivatives, including separated embedded derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial liabilities at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognized in finance income or finance costs in the income statement.

- **Derecognition of financial liabilities**

  A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

- **Offsetting of financial instruments**

  Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Determination of fair value**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Reclassification of financial assets and Liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a probable, present legal or constructive obligation to make a transfer of economic benefits as a result of past events where a reliable estimate is available.

The amounts recognised represent the Group's best estimate of the transfer of benefits that will be required to settle the obligation as of the reporting date. Provisions are discounted if the effect of the time value of money is material using a pre-tax market rate adjusted for risks specific to the liability.

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but are disclosed in the notes unless the likelihood of their crystallizing is remote.

Contingent assets are not recognised in the financial statements, however they are disclosed where the inflow of economic benefits is probable. When the realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

n) Earnings per share

Basic earnings per equity share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting attributable taxes) by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for event of fresh issue of shares to the public.

For the purpose of calculating diluted earnings per equity share, the net profit or (loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

p) Segment reporting policies

The main business of the Group is real estate development and construction of residential and commercial properties, infrastructure facilities and all other related activities revolve around the main business and as such there are no separate reportable segments as specified in Accounting Standard (IND AS - 108) on "Operating Segments".

(₹ in Lacs)

	Freehold Land and Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
2. Property, Plant and Equipment							
Cost							
At 1st April, 2015	10,470.91	668.53	336.89	401.62	104.17	11.73	11,993.85
Addition	2,976.88	2.34	0.37	170.22	19.05	19.40	3,188.26
Disposals	(895.19)	(0.77)	-	(44.38)	(0.17)	-	(940.50)
At 31st Mar, 2016	**12,552.60**	**670.10**	**337.26**	**527.46**	**123.05**	**31.13**	**14,241.61**
Addition	-	-	0.89	-	2.47	4.89	8.25
Disposals	(960.06)	-	-	(6.37)	-	-	(966.43)
Transfer	-	-	-	-	-	-	-
At 31st Mar, 2017	**11,592.54**	**670.10**	**338.15**	**521.09**	**125.52**	**36.02**	**13,283.43**
Depreciation							
At 1st Apr, 2015	-	-	-	-	-	-	-
Depreciation charge for the year	169.84	96.52	80.07	149.91	63.21	10.70	570.24
Impairment	-	-	-	-	-	-	-
Disposals	(20.72)	(0.22)	-	(31.62)	(0.17)	-	(52.73)
Depreciation on additions	583.41	-	-	-	-	-	583.41
At 31st Mar, 2016	**732.53**	**96.30**	**80.07**	**118.29**	**63.04**	**10.70**	**1,100.93**
Depreciation on additions	-	-	-	-	-	-	-
Depreciation charge for the year	225.97	96.65	75.57	121.19	24.16	11.46	555.00
Disposals	(24.14)	-	-	(5.82)	-	-	(29.96)
At 31st Mar, 2017	**934.36**	**192.95**	**155.64**	**233.66**	**87.20**	**22.16**	**1,625.97**
Net book value							
At 31st Mar, 2017	**10,658.18**	**477.16**	**182.52**	**287.43**	**38.32**	**13.86**	**11,657.46**
At 31st Mar, 2016	**11,820.07**	**573.81**	**257.19**	**409.17**	**60.01**	**20.43**	**13,140.68**
At 1st Apr, 2015	**10,470.91**	**668.53**	**336.89**	**401.62**	**104.17**	**11.73**	**11,993.85**

3. Investment Property	
Opening Balance as at 1st April, 2015	**14,287.94**
Transfer	**(2,976.88)**
Closing Balance as at 31st Mar, 2016	**11,311.06**
Additions	**-**
Closing Balance as at 31st Mar, 2017	**11,311.06**
Depreciation	
At 1st April, 2015	651.38
Depreciation charged for the year	226.41
Disposals	(583.41)
Closing Balance as at 31st Mar, 2016	**294.38**
Depreciation charged for the year	188.00
Closing Balance as at 31st Mar, 2017	**482.38**
Net book value	
At 31st Mar, 2017 (Fair Value ₹ 1,14,777.02 Lacs)	**10,828.68**
At 31st Mar, 2016 (Fair Value ₹ 1,09,278.89 Lacs)	**11,016.68**
At 1st April, 2015 (Fair Value ₹ 98,344.72 Lacs)	**13,636.56**

Note: The fair value of investment property has been determined having reference to the market values as prescribed under the ready recknor published by a competent authority, as the company believes that the current market price of similar properties in the vicinity is the best evidence of the fair value of such investment property. The FV measurement has been categorised as Level 2 based on inputs to valuation technique used.

Information regarding Income and expenditure of Investment Property

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016
Rental income derived from Investment Properties	688.95	655.97
Less : Depreciation	(188.00)	(226.41)
Profit arising from investment properties before indirect expenses	**500.95**	**429.56**

(₹ in Lacs)

	Particulars	Computer Software
4.	**Other Intangible assets**	
	Opening Balance as at 1st April, 2015	9.27
	Additions	-
	Closing Balance as at 31st March, 2016	**9.27**
	Additions	20.46
	Closing Balance as at 31st March, 2017	**29.73**
	Depreciation	
	At 1st April, 2015	-
	Depreciation charged for the year	5.36
	At 31st March, 2016	**5.36**
	Depreciation charged for the year	7.13
	At 31st March, 2017	**12.49**
	Net book value	
	At 31st March, 2017	**17.24**
	At 31st March, 2016	**3.91**
	At 1st April, 2015	**9.27**

(₹ in Lacs)

	Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
5.	**Investments (Non Current)**			
	(i) Investments in Equity Instruments			
	Other than trade (Unquoted Shares)			
	Punjab and Maharashtra Co-op. Bank Limited	97.51	97.51	97.51
	3,90,040 (previous year 3,90,040) Equity Shares of ₹ 25/- each fully paidup			
	Dreams The Mall Company Limited	9.40	9.40	9.40
	93,957 (previous year 93,957) Equity Shares of ₹ 10/- each fully paidup			
	Privilege Hi Tech Infrastructure Limited	0.84	1.19	1.19
	8,500 (Previous year 11,900) Equity shares of ₹10/- each fully paid			
		107.75	**108.10**	**108.10**
	(ii) Investments in Preference Shares			
	Lashkaria Housing and Infrastructure Private Limited	1,544.00	1,544.00	1,544.00
	15,440 (previous year 15,440) 10% Redeemable Non Cumulative Preference shares of ₹ 10/- each fully paid			
		1,544.00	**1,544.00**	**1,544.00**
		1,651.75	**1,652.10**	**1,652.10**
6.	**Others (Non Current)**			
	Security Deposits	52.32	54.49	48.56
	Bank deposits with more than 12 months maturity	40.00	40.00	40.00
		92.32	**94.49**	**88.56**
7.	**Other non-current assets**			
	Prepayments	292.14	443.58	449.64
	Others	6,983.14	6,983.14	6,990.14
	Income tax refund receivable	179.66	179.66	46.26
	Income tax paid	2,925.94	1,009.99	197.68
		10,380.88	**8,616.37**	**7,683.72**
8.	**Inventories:**			
	(i) Work-in-progress	14,61,833.51	13,31,600.41	12,85,346.91
	(ii) Finished goods	22,180.17	32,292.94	22,549.74
		14,84,013.68	**13,63,893.35**	**13,07,896.65**

(₹ in Lacs)

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
9. Current Investments			
i) Investments in partnership firms			
M/s Fine Developers (Fixed Capital ₹ Nil)	1.58	1.58	1.58
(Share of profit-90%, other partner and share of profit is Sapphire Land Development Private Limited - 10%.)			
Heritage Housing Development Corporation (Fixed Capital ₹ Nil)	100.00	100.00	-
(Share of profit-60%, other partner and share of profit is Pioneer India Developers Private Limited - 40%.)			
Lashkaria Housing and Infrastructure Private Limited	793.27	793.27	793.27
(Share of profit- 10%)			
ii) Investments in mutual Fund			
Union KBC Mutual Fund			
Nil (previous year Nil) units of Union KBC Capital Protection Oriented Fund - Series 2 - Regular Growth Plan ₹ 10/- each fully paid up	-	-	25.00
	894.85	**894.85**	**819.85**
10. Trade receivables			
Unsecured considered good	30,666.45	26,350.64	30,417.33
	30,666.45	**26,350.64**	**30,417.33**
11. Cash and cash equivalents			
(i) Balances with Banks (of the nature of cash and cash equivalents)			
Current accounts	1,490.41	409.01	2,279.07
Current Account balance with banks in unpaid dividend account	-	-	14.30
Current Account balances in Escrow Account	66.33	202.91	27.71
(ii) Cash on hand	110.88	1,548.11	475.21
(iii) Debt Service Reserve Account	-	1,660.00	-
	1,667.62	**3,820.03**	**2,796.29**
12. Bank balances			
In Fixed Deposit with less than a year maturity*	11,030.99	10,387.99	16,078.18
	11,030.99	**10,387.99**	**16,078.18**

* includes fixed deposits of ₹ 1,088.45 Lacs (previous year ₹ 1,088.45 Lacs) pledged with bank as security for bank guarantees, ₹ Nil (previous year ₹ 6,427.00 Lacs) with bank for Debt Service Reserve and ₹ 7,942.27 Lacs (previous year ₹ 7,942.27 Lacs) pledged with bank as security for bank overdraft.

13. Financial Assets : Others			
(i) Security Deposits	250.42	546.06	510.80
(ii) Advances to related parties			
Other related parties	282.21	284.42	286.27
(iii) Other advances			
Advance to suppliers	21,390.59	26,121.59	39,879.09
Advances for land purchase /tenancy / claims / development rights	717.10	372.41	1,728.55
Loans to employees	26.53	44.01	29.84
Interest accrued on fixed deposits	837.52	976.52	378.52
Others	867.59	1,306.87	751.65
	24,371.96	**29,651.88**	**43,564.72**

(₹ in Lacs)

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
14. Others Current Assets			
Advance to suppliers	9,344.17	7,622.97	17,439.37
Advances for land purchase /tenancy / claims / development rights	2,31,921.63	2,87,154.54	3,08,588.17
Prepaid expenses	24.15	37.40	54.12
	2,41,289.95	**2,94,814.91**	**3,26,081.66**
15. Share Capital			
Authorised			
1,00,00,00,000 (previous year 1,00,00,00,000) Equity Share of ₹ 10/- each	**1,00,000.00**	**1,00,000.00**	**50,000.00**
Issued, Subscribed and Paid up			
43,40,03,986 (previous year 41,90,03,986) Equity Shares of ₹ 10/- each fully paid-up	43,400.40	41,900.40	41,900.40
	43,400.40	**41,900.40**	**41,900.40**

Terms / rights attached to shares :

The Company has only one class of shares i.e. equity shares of ₹ 10/- each. Shareholders are entitled to vote in accordance with their shareholding in the Company and receive dividend as and when declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 shareholder.

(i) Reconciliation of the number of shares outstanding :

Equity Shares	Number	Number	Number
Shares outstanding at the beginning of the year	41,90,03,986	41,90,03,986	41,90,03,986
Shares Issued during the year	1,50,00,000	-	-
Shares outstanding at the end of the year	**43,40,03,986**	**41,90,03,986**	**41,90,03,986**

(ii) Shares in the Company held by each shareholder holding more than 5 percent :

Rakesh Kumar Wadhawan	Number	-	7,60,47,661	7,60,47,661
	%		18.15%	18.15%
Priviledge Distilleries Private Limited	Number	2,48,22,086	-	-
	%	5.72%		
Dinshaw Trapinex Builders Private Limited	Number	2,85,22,629	-	-
	%	6.57%		
Dheeraj Consultancy Private Limted	Number	2,85,22,630	-	-
	%	6.57%		
Interactive Multimedia Technologies Private Limited	Number	3,00,27,300	-	-
	%	6.92%		
Orbis SICAV - Asia Ex- Japan Equity Fund	Number	3,92,75,550	3,44,33,395	3,29,90,632
	%	9.05%	8.22%	7.87%
Platinum Investment Management Limited A/C Platinumasia Fund	Number	-	2,85,37,227	3,14,46,227
	%		6.81%	7.50%
Merrill Lynch Capital Market Espana S.A. S.V.	Number	-	-	2,72,98,007
	%			6.51%

(₹ in Lacs)

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
16. Other Equity			
Capital Reserve	6.00	6.00	6.00
Capital redemption reserve	62.07	62.07	62.07
Securities Premium Reserve	5,04,616.65	4,91,116.65	4,91,116.65
Debenture Redemption Reserve	22,489.52	31,999.52	70,227.21
General Reserves	5,66,767.31	5,57,257.31	5,13,605.53
Retained Earnings	10,258.38	(8,189.91)	(35,710.91)
	11,04,199.93	**10,72,251.64**	**10,39,306.55**

(₹ in Lacs)

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
17. Non Current Borrowings			
(i) Secured Long Term Borrowings :			
2,267 (Previous year 4,692) Redeemable Non Convertible Debentures of ₹ 10 lacs each *	11,534.31	16,307.48	22,837.30
(ii) Term loans			
(a) from Scheduled Banks	1,19,681.48	1,61,878.18	1,46,250.68
(b) from financial institutions	31,589.58	42,889.78	53,214.42
	1,62,805.37	**2,21,075.44**	**2,22,302.40**

*In accordance with the terms of the issue of NCD, the Company has partially redeemed the Debenture in tranches and hence aggregate amount outstanding vis a vis numbers of outstanding debentures do not tally.

Details of securities and other terms and conditions are as under :-

I) Secured Redeemable Non Convertible Debentures : -

a) Secured Redeemable Non Convertible Debentures (Listed) : -

Nil (Previous year 2,425) 12% Secured Redeemable Non – Convertible Debentures of ₹ 10.00 Lacs each fully paid, interest payable quarterly are issued on Private Placement basis to various banks. These Debentures are Secured by mortgage of immovable properties admeasuring to about 7,01,992 Sq. mtrs. situated at village Kasarali, District Thane and 1,47,341 Sq. mtrs. situated at Village Kopri, District Thane, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. These Secured Non – Convertible Debentures are redeemable commencing from December, 2012 from first tranche onwards at 33% each in third and fourth year and 34% at the end of fifth year.

b) Secured Redeemable Non Convertible Debentures (Non listed) : -

a) 2,267 (Previous year 2,267)13.25% Secured Redeemable Non – Convertible Debentures of ₹ 10.00 lacs each fully paid, interest payable monthly are issued on Private Placement basis to Life Insurance Corporation of India. The Debentures are secured by mortgage of 2,88,940 Sq. mtrs immovable properties situated at Village Doliv and Village Khardi, District Thane and further secured by mortgage of first to nine floors except 3rd, 4th and 6th floors of commercial building admeasuring 17,894.65 Sq. mtrs. situated at HDIL Towers, Survey No. 341(pt) CTS No. 608(pt), Bandra (East), Mumbai. These Secured Non - Convertible Debentures are redeemable in equal monthly instalment of ₹ 100.00 lacs each commencing from 5th October, 2013.

b) Securities of the Debentures issued to Life Insurance Corporation of India are shared on pari-passu basis for the term loan from Life Insurance Corporation of India. (Also refer note : 21(III)(b))

II) All the above debentures have been personally guaranteed by

i) Executive Chairman of the Company

ii) Vice Chairman and Managing Director of the Company

III) IDBI Trustee is the trustee to all the above Debentures issued.

IV) Loans from Scheduled Banks:

a) Yes Bank Limited:

Secured against Pari Passu charge on the immovable properties along with the structures built thereon, admeasuring 5,53,696 Sq. mtrs. Situated at village Kopari, District Thane, comprising of various survey numbers, admeasuring 4,18,006 Sq. mtrs. further secured against Pari Passu charge on the Immovable properties situated at village Sasunavghar, District Thane, comprising of various survey numbers and Pari Passu on all current assets of the project only including receivables/ future receipts pertaining to project. Rate of interest 15.50% (P.Y. 15.25%) p.a. payable monthly, Repayable after moratorium period of 48 months.

b) Bank of India:

Secured against First Pari Passu charge on the immovable properties along with the structures built thereon situated at village Sasunavghar, District Thane. A first charge/assignment in favour of Lenders of all the operating cash flows, treasury income, revenues/receivables, Project Agreement of the Project. Rate of interest 17.75% p.a. payable monthly, Repayable after moratorium period of 48 months. Door to Door tenor is 96 months.

V) Maturity profile and Rate of interest of Non Convertible Debentures are as set out below:

Rate of Interest	Maturity Profile			Total
	Apr.2018-Mar. 2019	Apr.2019-Mar. 2020	Apr.2020-Mar. 2021	
13.25%	4,773.21	4,773.21	1,987.88	11,534.31
Total	**4,773.21**	**4,773.21**	**1,987.88**	**11,534.31**

VI) Maturity Profile of Secured Term Loans are as set out below

Secured Term Loans	Maturity Profile				Total
	Apr.2018-Mar. 2019	Apr.2019-Mar. 2020	Apr.2020-Mar. 2021	Apr.2021-Mar. 2022	
Term loan-Schedule banks	52,896.60	32,845.00	26,497.00	7,442.88	1,19,681.48
Term loan-Financial instituition	21,743.57	9,537.33	308.68	-	31,589.58
Total	**74,640.17**	**42,382.33**	**26,805.68**	**7,442.88**	**1,51,271.06**

(₹ in Lacs)

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
18. Other financial liabilities (Non current)			
Security deposit - Prepaid Advance	189.29	200.17	211.08
	189.29	**200.17**	**211.08**
19. Provisions (Non current)			
Provision for employee benefits			
Leave Encashment	210.74	227.15	167.23
Gratuity	126.95	-	-
	337.69	**227.15**	**167.23**
20. Deferred tax liabilities (Net)			
Liabilities			
(i) Related to fixed assets	3,394.70	2,094.76	2,078.50
(ii) Others	78.43	112.59	156.64
Assets			
(i) Bonus payable	-	-	25.60
(ii) Provision for gratuity	133.59	109.12	73.39
(iii) Provision for encashment of leave	116.99	124.04	71.89
(iv) Unabsorbed depreciation	14.68	13.33	12.34
(v) Others	1.09	2.00	1.69
	3,206.78	**1,958.86**	**2,050.23**

Movement in Deferred Tax Balances

Particulars	Balance as at 31st Mar, 2016	Movement during the year		Balance as at 31st Mar, 2017
		Recognised in Profit & Loss	Recognised in Equity	
Property, Plant & Equipment and Intangible Assets	(2,094.76)	(1,299.94)	-	(3,394.70)
Lease Rental	(8.89)	(5.07)	-	(13.96)
Borrowing cost amortisation	(103.70)	39.23	-	(64.47)
Provision for gratuity	109.12	24.47	-	133.59
Provision for encashment of leave	124.04	(7.05)	-	116.99
Unabsorbed depreciation	13.33	1.35	-	14.68
Others	2.00	(0.91)	-	1.09
	(1,958.86)	**(1,247.92)**	**-**	**(3,206.78)**

Movement in Deferred Tax Balances

Particulars	Balance as at 01st Apr, 2015	Movement during the year		Balance as at 31st Mar, 2016
		Recognised in Profit & Loss	Recognised in Equity	
Property, Plant & Equipment and Intangible Assets	(2,078.50)	(16.26)	-	(2,094.76)
Lease Rental	(3.81)	(5.08)	-	(8.89)
Borrowing cost amortisation	(152.83)	49.13	-	(103.70)
Bonus payable	25.60	(25.60)	-	-
Provision for gratuity	73.39	35.73	-	109.12
Provision for encashment of leave	71.89	52.15	-	124.04
Unabsorbed depreciation	12.34	0.99	-	13.33
Others	1.69	0.31	-	2.00
	(2,050.23)	**91.15**	**-**	**(1,958.86)**

Reconciliation of Effective Tax Rate	As at 31st Mar. 2017	As at 31st Mar. 2016
Profit Before Tax	**21,168.01**	**27,586.89**
Current tax	4,432.21	2,454.68
Deferred tax	1,247.92	(91.15)
Tax of Prior years	(2,400.00)	(7,712.54)
	3,280.13	**(5,349.01)**

A reconciliation of income tax expenses application to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31st March, 2017 and 31st March, 2016 as follows:

Profit Before Tax	21,168.01	27,586.89
Income tax		
Statutory incometax rate of 21.34% (34.608%) on profit	4,517.25	9,547.27
Effect of exempt income, notional income and non-dedctible expenses (net)	1,162.88	(7,183.74)
Tax expenses for current year	**5,680.13**	**2,363.53**
	26.83%	**8.57%**
Adjustment of tax of Prior years	(2,400.00)	(7,712.54)
Tax expenses recognised in the Statement of Profit & Loss	**3,280.13**	**(5,349.01)**

(₹ in Lacs)

Particulars		As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
21.	**Current Borrowings**			
(i)	Loans repayable on demand from banks	15,110.48	8,209.82	6,771.15
(ii)	Loans from related parties	444.27	423.38	423.39
(iii)	Other loans			
	Term Loans from Scheduled Banks	46,779.39	41,695.11	38,515.06
	Term loans from Financial Institutions	22,516.48	11,567.93	2,727.91
		84,850.62	**61,896.24**	**48,437.51**

Details of securities and other terms and conditions are as under :-

I) Loans repayable on demand from Scheduled Bank :-

Punjab and Maharashtra Co-operative Bank Limited :-

Secured by pledge of fixed deposit receipts with the bank, current rate of interest 9.25% (Previous year 13%)

II) Loans from Scheduled Banks :-

a) Central Bank of India :-

Secured by registered mortgage of immovable properties admeasuring 40,468.56 Sq. mtrs. situated at CTS No. 637A, Premier Road, Village Kurla, Mumbai. Repayable in 40 monthly installments (Step up installments) of ₹ 300.00 Lacs each commencing from December, 2013 to March 2014, ₹ 349.00 lacs each commencing from April, 2014 to March 2015 and ₹ 500.00 lacs each commencing from April, 2015 to March 2017. Rate of interest base rate + 5% p.a. payable monthly.

b) The Jammu and Kashmir Bank :-

i) Term loan - I - Repayable in 12 quarterly installments of ₹ 834.00 lacs each commencing from September 2014. Interest rate is base rate +3.50% p.a. payable monthly.

ii) Term Loan - II - Secured by 1st Charge on the cash flows, receivables and project agreements/ project escrow account and project DSRA of the free sale area, and 1st charge by way of mortgage of development right. Loan repayable in 20 quarterly installments of ₹ 750.00 lacs each commencing from September 2016. Interest rate is base rate + 3.00% p.a. payable monthly.

iii) Term Loan - III - Secured by 1st Charge on the cash flows, receivables, all current assets of the project and project agreements/ project escrow account and project DSRA of the free sale area and 1st charge by way of mortgage of development rights. Repayable in 16 quarterly installments of ₹ 938.00 lacs each commencing from September, 2017. Interest rate is base rate + 3.00% p.a. payable monthly.

All the above loans are secured by immovable properties admeasuring 2,91,610 Sq. mtrs. situated at Village Kopri, District Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company.

c) Allahabad Bank :-

i) Secured by registered mortgage over the total construction area of 1,12,140.10 Sq. mtrs. which includes free sale area admeasuring approximately 67,732.72 Sq. mtrs. at CTS no. 551/27,552(pt), 552/1, 552/5 to 12 of Village Nahur, Mumbai together with the structure standing thereon and further secured by 45,342 Sq. mtrs. of immovable properties situated at Village Chandansar, Dist. Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. Repayable in 12 equal quarterly installments of ₹ 1,250.00 Lacs each commencing from June 2014. Rate of Interest base rate + 5% p.a. payable monthly.

ii) Secured by exclusive charge on Escrow account as well as equitable mortgage of immovable properties admeasuring 54,970 Sq.mtrs at Village Maljipada, Dist. - Thane, comprising of various survey numbers. Repayable within 12 equal quarterly installments of ₹ 625.00 Lacs each commencing from December 2014. Rate of interest is base rate + 5% p.a. payable monthly.

iii) Secured by exclusive charge on all projects assets of the Company at Mulund and Palghar. Repayable in 4 equal quarterly installments of ₹ 425.00 Lacs each commencing from March, 2017. Rate of interest is base rate + 5% p.a. payable monthly.

d) Syndicate Bank :-

Secured by pari passu charge over escrow of Cash flows arising out of the project Whispering Tower and further secured by immovable properties admeasuring 87,220 Sq.mtrs. situated at Village Doliv, Koshimbe, Dist. Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. Repayable in 12 equal quarterly installments ₹ 834.00 Lacs each commencing from February, 2015. Rate of Interest base rate + 3% p.a. payable monthly.

e) Yes Bank Limited:-

Secured by exclusive charge on Projects Metropolis, Galaxy and Majestic Towers on development rights. Repayable 33.33% every year from 36th month of its disbursement

f) Union Bank of India

Secured by registered mortgage of immovable properties admeasuring 1,23,365 Sq.mtrs. situated at Village Chandansar and admeasuring 1,23,360 Sq.mtrs. situated at village Doliv, Khardi, Koshimbi, Dahisar and Kasarali, Dist. Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited a subsidiary of the holding Company. Rate of interest 14.50% (previous years 14.50%) payable monthly, Repayable in 20 quarterly instalments of 10,00,000 each.

III) Term Loans from Financial Institution :-

a) IL & FS - PMDO:-

i) Repayable in 18 quarterly installments of the staggered amount commencing from October, 2015. Rate of interest is 13.50% p.a. payable monthly.

ii) Repayable in 12 quarterly installments commencing from February, 2016. Rate of interest of the Funded interest term loan is 13.50% p.a. payable monthly.

iii) Secured by registered mortgage of Development rights of property admeasuring 24,400 Sq.mtrs. located at Siddarth Nagar, Mumbai and first and exclusive registered mortgage of 51,880 Sq.mtrs. of land located at Maljipada village Taluka Vasai. Rate of interest of 20.00% p.a. (Previous year 20.00% p.a.) payable quarterly.

Both the loans are secured by registered mortgage of immovable properties admeasuring 1,21,970 Sq. mtrs. situated at Sasunavghar, comprising of various survey numbers, owned by the Company and 96,750 Sq. mtrs. situated at village Doliv, 1,60,390 Sq. mtrs. situated at village Khardi, 94,710 Sq. mtrs. situated at Dahisar and 66,640 Sq. mtrs. situated at Kasarali, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company.

b) Life Insurance Corporation of India :-

i) Term loan is secured by registered mortgage of immovable properties situated at Village Doliv and Village Khardi admeasuring 2,88,940 Sq. mtrs. comprising of various survey numbers and further secured by mortgage of first to nine floors except 3rd, 4th and 6th floors of commercial building area admeasuring 18,194.54 Sq. mtrs. situated at HDIL Towers, Bandra (East), Mumbai. Repayable in 12 quarterly installments of ₹ 1,688.15 Lacs each commencing from September, 2016. Rate of interest is 13% p.a. payable monthly.

ii) Securities of the Term loan from Life Insurance Corporation of India are shared on pari-passu basis along with the security for Non Convertible Debentures issued to Life Insurance Corporation of India. (Also refer to Note No. : 17 (I)(b)).

IV) All the above loans have been personally guaranteed by

i) Executive Chairman of the Company

ii) Vice Chairman and Managing Director of the Company

(₹ in Lacs)

Particulars	As at 31st Mar. 2017	As at 31st Mar. 2016	As at 01st Apr. 2015
22. Trade payables (Current)			
Micro, Small and Medium Enterprises	-	-	-
Others	53,911.75	48,978.12	44,643.17
	53,911.75	**48,978.12**	**44,643.17**
Micro, Small and Medium Enterprises			
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.			
23. Other financial liabilities (Current)			
(i) Current maturities of long-term debt	4,774.17	6,482.04	10,853.22
(ii) Interest accrued -			
Due but not paid on loans	46,681.04	25,394.87	13,745.67
Not due on loans	276.28	705.45	1,795.71
(iii) Unpaid dividends	-	-	7.70
(iv) Unpaid matured debentures and interest accrued thereon	13,351.28	19,074.35	48,036.39
(v) Security deposit	2,105.48	1,659.77	802.74
(vi) Others			
Due to employees	852.60	541.95	320.05
Others	19,775.04	12,777.76	59,734.78
	87,815.89	**66,636.19**	**1,35,296.26**
24. Other current liabilities			
(i) Revenue received in advance	2,12,689.56	1,73,688.27	2,03,509.96
(ii) Others			
Statutory dues	1,591.19	2,003.84	2,668.85
Others	56,137.41	57,612.89	-
	2,70,418.16	**2,33,305.00**	**2,06,178.81**
25. Provisions (Current)			
(i) Provision for employee benefits			
(a) Gratuity	276.31	329.52	221.38
(b) Leave Encashment	139.03	143.12	48.26
	415.34	**472.64**	**269.64**
26. Current Tax Liabilities (Net)			
(i) Provision for taxation	47,526.68	45,494.47	50,545.54
(ii) Less : Tax Paid	31,230.26	30,785.33	29,326.81
	16,296.42	**14,709.14**	**21,218.73**

(₹ in Lacs)

Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
27. Revenue From Operations		
i) Sale of Product		
(a) Sale of commercial and residential units	41,113.50	67,251.21
(b) Sale of development rights /FSI/Land /TDR	29,906.20	48,104.39
ii) Other operating income		
(a) Lease rental (Refer Note No. 27.1)	688.95	674.63
(b) Others	668.14	931.12
	72,376.79	**1,16,961.35**
27.1 Assets given on lease :		
i) General description of leasing arrangement		
(a) Leased assets : Leasing of commercial premises.		
(b) Future lease rentals are determined on the basis of agreed terms.		
(c) At the expiry of the lease term, the Company agrees to record the new terms and conditions of their agreement in relation to lease of the Premises.		
ii) Total operating lease income credited to the Statement of Profit and Loss ₹ 674.00 Lacs (previous year ₹ 659.69 Lacs)		
iii) Total minimum lease payments receivable		
The total of minimum lease payments for the year		
Not more than one year	644.82	614.81
Not less than one year and not more than five years	7,080.43	5,424.11
More than five years	66,504.28	68,231.56
28. Other income		
Interest received	1,047.57	1,539.68
Dividend received (From Co-operative Bank)	11.72	11.73
Ind As Adjustments- Finance Income	11.84	12.03
Maintenance Income	1,724.23	628.95
Income from sale of fixed assets	0.55	-
Income from sale of Shares	618.48	-
Profit on sale of Mutual Fund	-	7.16
Miscellaneous income	36.77	113.12
	3,451.16	**2,312.67**
29. Cost of materials consumed		
Tenancy / claims / FSI / development rights/Land	21,968.45	4,776.36
Cost of material consumed	95,856.23	76,572.09
	1,17,824.68	**81,348.45**
30. Changes in inventories of finished goods and work-in-progress		
Opening finished goods	32,292.94	22,269.02
Opening work-in-progress	13,31,600.41	12,86,565.86
Adjustments during the year	3,966.06	-
Subtotal	13,67,859.41	13,08,834.88
Closing finished goods	22,180.17	32,292.94
Closing work-in-progress	14,61,833.51	13,31,600.41
Subtotal	14,84,013.68	13,63,893.35
	(1,16,154.27)	**(55,058.47)**

(₹ in Lacs)

Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
31. Employee benefits expense		
(i) Salaries and incentives	3,559.82	3,906.41
(ii) Contributions to - Provident and other funds	263.40	332.01
(iii) Staff welfare expenses	63.46	81.11
	3,886.68	**4,319.53**

As per Ind AS 19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

The Company has created Employee's Group Gratuity Fund with Life Insurance Corporation of India and obtained Group Gratuity Assurance Policy from LIC for the benefit of employees.

A) Gratuity Plan :-

Defined Benefit Plan

The employees' gratuity fund scheme managed by a Trust (Life Insurance Corporation of India) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ in Lacs)

Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
i) Reconciliation of defined benefit obligation		
Obligation at beginning of period	541.29	443.47
Transfer in / (out) obligation	-	-
Current service cost	69.98	65.36
Interest cost	40.71	33.28
Actuarial loss/(gain) due to change in financial assumptions	29.02	(5.69)
Actuarial loss/ (gain) due to experience	(49.82)	38.05
Benefits paid	(68.78)	(27.73)
Benefits payable	-	(5.45)
Obligation at period end	**562.40**	**541.29**
ii) Reconciliation of plan assets		
Opening fair value of plan assets	211.77	222.09
Interest Income	18.00	18.69
Return on plan assets excluding amounts included in interest income	(2.41)	(1.28)
Contributions by employer	0.57	-
Benefits paid	(68.79)	(27.73)
Closing fair value of plan assets	**159.14**	**211.77**
iii) Funded status of the plan		
Present value of funded obligations	562.40	541.29
Fair value of plan assets	159.14	211.77
Net asset / (liability) recognised in the Balance Sheet	**(403.26)**	**(329.52)**
iv) Profit and loss account for current period		
Service cost:		
Current service cost	69.98	65.36
Net interest cost	22.71	14.59
Total included in 'Employee Benefit Expense'	92.69	79.95
Expenses deducted from the fund	-	-
Total Charge to P&L	**92.69**	**79.95**
v) Other Comprehensive Income for the current period		
Actuarial loss/(gain) due to change in financial assumptions	29.02	(5.69)
Actuarial loss/(gain) due to change in demographic assumption	-	-
Actuarial loss/ (gain) due to experience adjustments	(49.82)	38.05
Return on plan assets excluding amounts included in interest income	2.41	1.28
Amounts recognized in Other Comprehensive Income	**(18.39)**	**33.64**

(₹ in Lacs)

Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
vi) **The weighted average duration of the defined benefit obligation is 21.62 years (Previous year 23.10 years)**		
Expected Cash flow based on past service liability		
Expected benefits for year 1	33.45	38.52
Expected benefits for year 2 to year 5	141.56	168.44
Expected benefits beyond year 5	195.94	202.01
vii) **Sensitivity Analysis**		
Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
Discount rate varied by 0.5%		
+ 0.5%	515.29	496.75
- 0.5%	567.52	549.30
Salary growth rate varied by 0.5%		
+ 0.5%	559.10	541.00
- 0.5%	522.55	504.01
viii) **Investment Details**		
Policy of Insurance	100%	100%
B) **Leave encashment liability :-**		
The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
The following table set out the status of the leave encashment plan as required under Ind AS 19		
i) **Reconciliation of defined benefit obligation**		
Obligation at beginning of period	370.27	216.46
Transfer in / (out) obligation	-	0.02
Current service cost	60.97	39.47
Interest cost	27.48	15.65
Actuarial loss/(gain) due to change in financial assumptions	16.82	(3.95)
Actuarial loss/(gain) due to change in demographic assumption	21.47	45.96
Actuarial loss/ (gain) due to experience	(147.24)	57.10
Benefits payable	-	(0.44)
Obligation at period end	**349.77**	**370.27**
ii) **Reconciliation of plan assets**		
Opening fair value of plan assets	-	-
Closing fair value of plan assets	**-**	**-**
iii) **Funded status of the plan**		
Present value of unfunded obligations	349.77	370.27
Net (asset)/liability recognised in the Balance Sheet	349.77	370.27
iv) **Profit and loss account for current period**		
Service cost:		
Current service cost	60.97	40.10
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net interest cost	27.48	15.86
Net Value of remeasurements on the obligation and plan assets	(108.95)	99.21
Total included in 'Employee Benefit Expense'	(20.50)	155.17
Expenses deducted from the fund	-	-
Total Charge to P&L	**(20.50)**	**155.17**

(₹ in Lacs)

Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
Acturial loass / (Gain)		
Actuarial loss/(gain) due to change in financial assumptions	16.47	(3.54)
Actuarial loss/(gain) due to change in demographic assumption	21.34	46.30
Actuarial loss/ (gain) due to experience adjustments	(145.67)	55.76
Amounts recognized in Other Comprehensive Income	**(107.86)**	**98.52**
v) **Expected Cash flow based on past service liability**		
Expected benefits for year 1	37.61	35.89
Expected benefits for year 2 to year 5	99.90	105.53
Expected benefits beyond year 5	137.69	141.48
vi) **Sensitivity Analysis**		
Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
Discount rate varied by 0.5%		
+ 0.5%	329.15	348.03
- 0.5%	360.39	383.24
Salary growth rate varied by 0.5%		
+ 0.5%	360.35	383.29
- 0.5%	329.05	347.84
C) **Valuation Assumptions**		
Considering the above stipulation in the case of gratuity and leave encashment, the following assumptions have been made.		
i) Discount Rate	7.25%	7.80%
ii) Salary Growth	7.00%	7.00%
iii) Expected rate of return : This assumption is required only in case of funded plans. The level of returns would depend on the nature of assets and the prevailing economic scenario.		
iv) Mortality : Indian Assured Lives Mortality (2006-08)		
v) Withdrawals : 5% at younger ages reducing to 1% to older ages		
vi) Retirement age : 60 or 65 years		
vii) Leave Consumption Factors : 2.50% at all ages (previous year 1.75%)		
viii) Method of Valuation : Projected Unit Credit Method		
The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.		
32. Finance costs		
i) Interest		
(a) Project specific interest expenses	38,170.81	45,393.56
(b) Other interest	4,533.80	4,869.32
ii) Ind As adjustment - Other interest	2.21	4.80
iii) Deferred Expenses - Loan	117.66	144.53
iv) Other borrowing costs	-	1,000.00
	42,824.48	**51,412.21**

(₹ in Lacs)

Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
33. Other expenses		
Advertisement and sales promotion expenses	267.41	357.99
Commission and brokerage	434.69	674.64
Electricity charges	763.63	1,159.06
Insurance charges	5.00	6.63
Bank Charges	16.17	30.90
Other expenses	538.95	2,248.13
Loss on sale of fixed assets	-	367.93
Loss on foreign exchange fluctuation -net	1.51	2.22
Membership and subscription	10.97	10.87
Printing and stationery	48.47	65.20
Security charges	604.41	485.78
Professional fees	1,007.10	1,326.76
Rent paid (Refer Note 33.1)	55.34	26.25
Rates and taxes	1,108.32	1,041.43
Repairs and maintenance to buildings	2.66	2.68
Repairs and maintenance to other assets	13.16	18.71
Stamping and registration	26.25	209.72
Communication expenses	79.42	106.52
Postages and telegram expenses	16.29	3.14
Travelling and conveyance expenses	182.67	369.54
Remuneration to auditors (Refer Note 33.2)	134.13	134.48
Directors remuneration, commission and sitting fees (Refer Note 33.3)	210.64	215.74
Donations	0.25	-
Filing fees paid to the Registrar of Companies	0.80	1.13
Total	**5,528.24**	**8,865.45**
Above expenses includes Project related expenses	3,221.22	4,232.89
33.1 Assets taken on lease :		
i) General description of leasing arrangement		
(a) Leased assets : Residential and Commercial Premises		
(b) Future lease rentals are determined on the basis of agreed terms.		
(c) At the expiry of the lease term, the Company agrees to record the new terms and condition of their agreement in relation to lease of the Premises.		
ii) Total operating lease expenses debited to the Statement of Profit and Loss ₹ 55.34 lacs (previous year ₹ 26.25 lacs)		
iii) Total minimum lease payments payable		
Not more than one year	33.80	33.00
Not less than one year and not more than five years	5.72	-
More than five years	-	-
33.2 Remuneration to Auditors		
i) Audit fees	72.16	72.26
ii) Taxation matters	61.97	62.23
	134.13	**134.49**
33.3 Managerial Remuneration		
Commission to Non Executive Directors	199.20	200.00
Sitting fees	10.64	15.74
	209.84	**215.74**

(₹ in Lacs)

Particulars	Year ended 31st March 2017	Year Ended 31st March 2016
34. Earnings Per Equity Share Has Been Computed As Under:		
(i) Net profit after tax as per Statement of Profit and Loss	17,887.88	32,935.90
(ii) Number of fully paid equity shares used in computing earnings per equity share		
Basic	42,91,13,575	41,90,03,986
Diluted	42,91,13,575	41,90,03,986
(iii) Basic Earnings per share		
(iv) Diluted Earnings per share	4.16	8.19
(v) Nominal value per equity share is ₹ 10/- fully paid	4.16	8.19
35. CONTINGENT LIABILITIES NOT PROVIDED FOR		
a) (i) Claims against the Company not acknowledged as debts (represents suits filed by the parties in the Court, and disputed by the Company)	35,188.40	35,188.40
(ii) Income-tax demands disputed by the Company (net of amounts provided)	1,00,810.82	82,868.61
The matters in dispute are under appeal. The demands have been paid / adjusted and will be received as refund if the matters are decided in favour of the Company		
In the opinion of the management the above claims are not sustainable		
b) Guarantees provided by the bank	652.02	662.02
(i) Includes Bank Gurantee of ₹ 10.00 lacs (previous year Nil) to Pollution Control Board, Lucknow on behalf of the HC Infracity Private Limited a subsidiary of the Company.	-	-
(ii) The Company has facilitated a vendor financing, setting up with IDBI bank limit upto ₹ 5,000.00 lacs. The Company has extended it's corporate guarantee to the IDBI bank.	5,000.00	5,000.00
36. CAPITAL COMMITTEMENT		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

37. RELATED PARTY DISCLOSURE

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Enterprise significantly influenced by key management personnel

Privilege Airways Private Limited

Joint Venture

Fine Developers

Heritage Housing Development Corporation

Key management personnel

Shri Darshan D. Majmudar	Chief Financial Officer and Company Secretary
Smt. Romy Mehra	Director (HC Infracity Private Limited)
Shri. Gautam Mehra	Director (HC Infracity Private Limited)

B. Transactions with related party

(₹ in Lacs)

Nature of transaction	31st March, 2017				31st March, 2016			
	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total
Salary paid	-	-	60.00	60.00	-	-	60.00	60.00
Sale of FSI/Property	5,728.90	-	-	5,728.90	-	-	-	-
Travelling expenses repaid	41.02	-	-	41.02	64.10	-	-	64.10
Outstanding as at year end- Due from	-	101.58	-	101.58	-	101.58	-	101.58
Outstanding as at year end- Due to	88.74	-	-	88.74	47.72	-	-	47.72

C. Disclosure in respect of material transactions with related parties during the year (included in 'B' above)

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016
Traveling Expenses repaid		
Privilege Airways Private Limited	41.02	64.10
	41.02	**64.10**
Sale of commercial units		
Privilege Industries Limited	5,728.90	-
	5,728.90	**-**
Salary paid		
Shri Darshan D. Majmudar	60.00	60.00
	60.00	**60.00**
Outstandings:		
Outstanding as at year end- Due from		
Fine Developers	1.58	1.58
Heritage Housing Development Corporation	100.00	100.00
	101.58	**101.58**
Outstanding as at year end- Due to		
Privilege Airways Private Limited	88.74	47.72
	88.74	**47.72**

38. FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)

31st March, 2017	Carrying amounts			Total
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	
Financial Assets				
Non Current				
Investments				
Investment in Equity instruments	-	107.75	-	107.75
Investment in Preference Shares	-	-	1,544.00	1,544.00
Other Non Current Financial Assets	-	-	92.32	92.32
Current				
Investments	-	-	894.85	894.85
Trade receivables	-	-	30,666.45	30,666.45
Cash and cash equivalents	-	-	1,667.62	1,667.62
Bank balances	-	-	11,030.99	11,030.99
Others	-	-	24,371.96	24,371.96
Financial Liabilities				
Non Current				
Borrowings	-	-	1,62,805.37	1,62,805.37
Other financial liabilities	-	-	189.29	189.29
Current				
Borrowings	-	-	84,850.62	84,850.62
Trade payables	-	-	53,911.75	53,911.75
Other financial liabilities	-	-	87,815.89	87,815.89

31st March, 2016	Carrying amounts			Total
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	
Financial Assest				
Non Current				
Investments				
Investment in Equity instruments	-	108.10	-	108.10
Investment in Preference Shares	-	-	1,544.00	1,544.00
Other Non Current Financial Assets	-	-	94.49	94.49
Current				
Investments	-	-	894.85	894.85
Trade receivables	-	-	26,350.64	26,350.64
Cash and cash equivalents	-	-	3,820.03	3,820.03
Bank balances	-	-	10,387.99	10,387.99
Others	-	-	29,651.88	29,651.88
Financial Liabilities				
Non Current				
Borrowings	-	-	2,21,075.44	2,21,075.44
Other financial liabilities	-	-	200.17	200.17
Current				
Borrowings	-	-	61,896.24	61,896.24
Trade payables	-	-	48,978.12	48,978.12
Other financial liabilities	-	-	66,636.19	66,636.19

1st April, 2015	Carrying amounts			Total
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	
Financial Assest				
Non Current				
Investments				
Investment in Equity instruments	-	108.10	-	108.10
Investment in Preference Shares	-	-	1,544.00	1,544.00
Other Non Current Financial Assets	-	-	88.56	88.56
Current				
Investments	-	-	819.85	819.85
Trade receivables	-	-	30,417.33	30,417.33
Cash and cash equivalents	-	-	2,796.29	2,796.29
Bank balances	-	-	16,078.18	16,078.18
Others	-	-	43,564.72	43,564.72
Financial Liabilities				
Non Current				
Borrowings	-	-	2,22,302.40	2,22,302.40
Other financial liabilities	-	-	211.08	211.08
Current				
Borrowings	-	-	48,437.51	48,437.51
Trade payables	-	-	44,643.17	44,643.17
Other financial liabilities	-	-	1,35,296.26	1,35,296.26

Carrying amount of Investment, Trade Receivables, Cash and Cash Equivalent, Bank balances, Other financial Assets, Trade payables and Other financial liabilities as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Company has fair valued the transaction of financial guarantee (under Other Financial Liabilities) on the basis of internal comparable of a similar transaction with an unrelated party. The fair value so determined will therefore be classified under Level 2. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair valued measurements and the cost represents estimate of fair valued within that range.

C) Financial risk management

i) Risk management framework

a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the risk management committee, which is responsible for developing and monitoring the risk management policies. The Company reports regularly to the Board of Directors on its activities.

b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which the employees understand their roles and obligations.

c) The Audit Committee overseas how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

- **Trade Receivables**

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's Credit risk in this respect.

The Company's credit risk with regard to trade receivables has a high degree of risk diversification, due to the large number of projects of vary in sizes and types with numerous different customer categories in a large number of geographical markets.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does not have any significant concentration of credit risk.

The ageing of trade receivables is as follows:

(₹ in Lacs)

	31st March, 2017	31st March, 2016	01st April, 2015
Trade Receivables (Unsecured)			
Over six months	12,324.11	18,202.59	25,007.84
Less than six months	18,342.34	8,148.06	5,409.49
	30,666.45	**26,350.64**	**30,417.33**

The amounts reflected in the table above are not impaired as on the reporting date.

- **Investment in Debt securities, Loans to Related Parties and Deposits**

  The Company has investments in non-convertible preference shares, loans to related parties and project deposits. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

  Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

  The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2017

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	95,805.83	1,26,568.92	36,236.44
Trade payables	53,911.75	-	-
Other financial liabilities	74,755.20	-	2,105.48

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2016

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	77,588.28	1,18,644.76	1,02,430.68
Trade payables	48,978.12	-	-
Other financial liabilities	49,284.38	-	1,659.77

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 1st April, 2015

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	1,01,251.51	89,982.22	1,32,320.18
Trade payables	44,643.17	-	-
Other financial liabilities	81,671.82	-	53,624.44

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

  Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

  Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management is as follows :

(₹ in Lacs)

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Financial Assets			
Fixed rate instruments			
Bank Deposits			
- Current	11,030.99	10,387.99	16,078.18
- Non Current	40.00	40.00	40.00
Financial Liabilities			
Fixed rate instruments			
Borrowing - Non Convertible Debentures	22,489.52	31,999.52	75,651.30
Variable rate instruments			
Borrowing			
- From Schedule Bank	1,81,571.35	2,11,783.11	1,91,536.89
- From Financial institutions	54,106.06	54,457.71	55,942.33

Fair value sensitivity analysis for fixed rate instruments

Fixed rate financial assets / liabilities are carried out at amortised cost. Therefore they are not subject to interest rate risk since, neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposure outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	100 BP Increase	100 BP Decrease
31st March, 2017		
Financial Liabilities		
Variable rate instruments		
Borrowing	(1,988.90)	1,988.90
31st March, 2016		
Financial Liabilities		
Variable rate instruments		
Borrowing	(2,122.29)	2,122.29

39. SPECIFIED BANK NOTES DISCLOSURE

In accordance with the Notification No. G.S.R. 308(E) issued by the Ministry of Corporate Affairs dated 30th March, 2017, the details of Specified Bank Notes (SBN) held and transacted during the period 8th November, 2016 to 30th December, 2016 is provided below :

Particulars	SBN	Other Denomination notes	Total
Closing Cash in hand as on 8th November, 2016	58.76	65.83	124.59
Add : Permitted Receipts	-	34.98	34.98
Less : Permitted Payments	(50.31)	(31.91)	(82.22)
Less : Amount deposited in Banks	(8.45)	(0.14)	(8.59)
Closing Cash in hand as on 30th December, 2016	-	68.76	68.76

40. CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

41. POST REPORTING EVENTS:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

42. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31st March, 2017 were approved by the Board of Directors on 30th May, 2017

43. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.

44. The Income Tax Department have appealed against the IT Tribunal's order, advising the IT Department for reassessment of Computation of Income of the block assessment of Income Tax for the Assessment Year 2009-10, 2010-11, 2011-12. The matter is Pending.

45. First-time adoption of Ind-AS

The transition as at 1st April, 2015 to Ind As was carried out from Previous GAAP. The exemptions and exceptions applied by the Company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below :

Exemptions availed on first time adoption of Ind-AS 101

A) Optional Exemptions availed

i) Property, Plant & Equipment and Intangibles

As permitted by Ind As 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets.

ii) Investment in Subsidiary

The Company has elected to adopt the carrying value under previous GAAP as on the date of transition i.e. 1st April, 2015 in its separate financial statements.

B) Mandatory Exemption

i) Estimates

Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with the previous GAAP. The Company made estimates for the following items in accordance with the Ind AS at date of transition as these were not required under previous GAAP :

- Fair valuation of financial Instruments carried at FVTPL and / or FVOCI
- Determination of the discounted value for financial instruments carried at amortised cost

ii) De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind As. Accordingly, the Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition to Ind AS.

iii) Classification and measurement of financial assets

The Company has determined the classification of financial assets based on facts and circumstances that exists on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

C) Reconciliations between Previous GAAP and Ind AS

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101 on Net Worth

Particulars		Other Equity	
		31.03.2016	01.04.2015
Other Equity Under Previous Indian GAAP	(A)	10,72,874.73	10,39,646.86
1 Discounting of Security Deposit Received and Paid to present value and corresponding impact on Finance Cost / Income		15.29	6.87
2 Impact of adjustment of Lease Income		26.13	11.20
3 Impact of adjustment on ancillary cost on borrowing amortised		325.87	449.64
4 Impact on Depreciation of investment properties		(877.79)	(651.38)
5 Deferred Tax impact of above adjustment		(112.59)	(156.64)
	(B)	**(623.09)**	**(340.31)**
Other Equity as per IND AS	(A+B)	**10,72,251.64**	**10,39,306.55**

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101 on Net Profit

	Particulars		Net Profit for Year ended 31.03.2016
	Net Profit Under Previous Indian GAAP	(A)	33,145.17
1	Notional income from Corporate Guarantee		103.03
2	Discounting of Security Deposit Received and Paid to present value and corresponding impact on Finance Cost / Income		8.43
3	Impact of adjustment of Lease Income		14.94
4	Impact of adjustment on ancillary cost on borrowing amortised		(144.53)
5	Impact on Depreciation of investment properties		(225.98)
6	Deferred Tax impact of above adjustment		44.05
		(B)	**(200.06)**
	Net Profit as per IND AS	(A+B)	**32,945.11**

1 Corporate Guarantee

The Company has recognised the financial guarantee initially at its fair value and recognised the same on straight-line basis in accordance with Ind AS 18.

2 Security Deposit

Under the previous GAAP, Interest free lease security deposits were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as Prepaid.

3 Lease income

The Company has identified and reassessed its terms in the lease arrangement and any future increase in the lease receipts, otherwise than on account of inflation, has been accounted on straight line basis.

4 Borrowing cost amortised

Under Previous GAAP, these transaction cost were charged to Profit & Loss Account as and when incurred. Under Ind AS, these cost are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying effective interest rate method.

5 Investment Properties

Under Ind AS, Investment properties have been separately presented on the face of the balance sheet and measures as per the cost model prescribed in Ind AS 16 in line with Ind AS 40.

6 Deferred Tax

Deferred Tax has been recognised on adjustments made on transition to Ind AS.

7 Remeasurement of post employment benefits obligation

Under Ind AS, remeasurement i.e. actuarial gain and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year.

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

FORM AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing sailent features of the financial statement of subsidiaries

Year ended 31/03/2017 (₹ In Lacs)

Particulars	HDIL	Privilege Power and Infrastructure Private Limited	Blue Star Realtors Private Limited	BKC Developers Private Limited	Guruashish Constructions Private Limited	HC Infracity Private limited	Mazda Estate Private Limited	Ravijyot Finance & Leasing Private Limited	Lashkaria Construction Privat Limited
Paid-up share capital	43,400.40	16,105.00	340.00	10.00	1,700.00	1,000.00	41.00	50.00	1,000.00
Reserves and surplus	10,88,651.17	21,229.28	27,834.07	(61.63)	55,851.20	22.94	(3.40)	(14.36)	439.46
Total assets	15,85,518.93	1,59,810.27	44,174.90	6,616.51	1,13,427.40	10,625.86	42.56	19,765.47	7,133.68
Total liabilities	4,53,467.37	1,22,475.98	16,000.83	6,668.14	55,876.19	9,602.92	4.97	19,729.83	5,694.21
Investments (excluding investments in subsidaries)	158.47	25.85	25.00	-	-	-	-	-	2,337.27
Turnover (including other income)	74,617.73	1,456.39	3.00	-	-	-	-	-	0.00
Profit before tax	20,856.28	429.51	1.85	(0.74)	(2.61)	(8.35)	(0.31)	(2.13)	(6.28)
Provision for Current & Deferred tax	(3,331.70)	51.47	(0.57)	-	0.03	0.64	-	0.64	(0.64)
Profit after tax	17,524.58	480.98	1.27	(0.74)	(2.58)	(7.71)	(0.31)	(1.49)	(6.91)
Other Comprehensive income	(43.45)	(0.29)	-	-	-	-	-	-	-
Total comprehensive income	17,481.13	480.69	1.27	(0.74)	(2.58)	(7.71)	(0.31)	(1.49)	(6.91)
Proposed dividend	-	-	-	-	-	-	-	-	-
% of Shareholding		100.00%	100.00%	98.50%	100.00%	75.00%	100.00%	60.00%	69.00%

As per our Report of even date attached

For **THAR & CO.**
Chartered Accountants,
Firm Registration Number: 110958W

Jayesh R. Thar
(Partner)
Membership No. 032917

Place : Mumbai
Date: 30-May-2017

For and on behalf of the Board of Directors

Sarang Wadhawan
Vice Chairman & Managing Director

Raj Kumar Aggarwal
Director

Lalit Mohan Mehta
Director

Hazari Lal
Director

Sandhya Baliga
Director

Darshan Majmudar
Chief Financial Officer and Company Secretary

Corporate Information

BOARD OF DIRECTORS

Rakesh Kumar Wadhawan

Executive Chairman

Sarang Wadhawan

Vice Chairman & Managing Director

Lalit Mohan Mehta

Non-Executive Independent Director

Raj Kumar Aggarwal

Non-Executive Independent Director

Sandhya Baliga

Non-Executive Independent Director

Hazari Lal

Non-Executive Independent Director

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Darshan D. Majmudar

AUDITORS

M/s. Thar & Co.Chartered Accountants

BOARD COMMITTEES
AUDIT COMMITTEE

Sandhya Baliga

Lalit Mohan Mehta

Raj Kumar Aggarwal

NOMINATION & REMUNERATION COMMITTEE

Lalit Mohan Mehta

Hazari Lal

Raj Kumar Aggarwal

STAKEHOLDERS RELATIONSHIP COMMITTEE

Lalit Mohan Mehta

Sarang Wadhawan

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Rakesh Kumar Wadhawan

Sarang Wadhawan

Lalit Mohan Mehta

RISK MANAGEMENT COMMITTEE

Sarang Wadhawan

Hazari Lal

FINANCE COMMITTEE

Rakesh Kumar Wadhawan

Sarang Wadhawan

PROJECT COMMITTEE

Sarang Wadhawan

Rakesh Kumar Wadhawan

BANKERS / FINANCIAL INSTITUTIONS

Allahabad Bank

Andhra Bank

Bank of India

Central Bank of India

IDBI Bank Limited

Infrastructure Leasing & Financial Services Limited

Life Insurance Corporation of India

Syndicate Bank

The Jammu & Kashmir Bank limited

UCO Bank

Union Bank of India

Yes Bank Limited

REGISTERED OFFICE

9-01, HDIL Towers,
Anant Kanekar Marg,
Bandra (East), Mumbai - 400 051
Tel.: +91-22-6788 9000
Fax: +91-22-6788 9090
E-mail id: info@hdil.in
Website: www.hdil.in

DEBENTURE TRUSTEE:

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001
Tel No.: +91 22 4080 7000
Fax: +91 22 6631 1776
e-mail id: itsl@idbitrustee.com

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computer share Private Limited
Karvy Selenium Tower-B,
Plot No. 31 & 32, Financial District,
Gachibowli, Nanakramguda,
Serilingampally, Hyderabad – 500 032.
Tel.: +91-040-6716 1524
Toll Free No.: 1800-3454-001
Fax: +91-040-2300 1153
e-mail id: einward.ris@karvy.com
Website: www.karvy.com

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Microstructures | Megastructures | Infrastructure

Housing Development and Infrastructure Ltd.

HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED
CIN: L70100MH1996PLC101379
9-01, HDIL Towers, Anant Kanekar Marg, Bandra (E), Mumbai – 400 051
Tel No: +91 22 67889000 Fax: +91 22 67889090
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