CHD
DEVELOPERS LTD.

Annual Report 2018-19

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Gaurav Mittal
Managing Director (Executive)
DIN- 00052968

Mr. Varinder Singh
Additional Director (Independent)
DIN: 02923407

Mr. Nishant Goyal
Additional Director (Independent)
DIN: 07647389

CHIEF EXECUTIVE OFFICER

Mr. Gaurav Mittal

COMPANY SECRETARY CUM COMPLIANCE OFFICER

Mr. Ravinder Singh Kataria

REGISTERED OFFICE

201, Radha Chambers, Plot No. 19-20,
G Block Community Centre,
Vikaspuri, New Delhi 110018
Ph. No: 011-28549230
Web: www.chddevelopers.com
Email: investorservices@chddevelopers.com

CIN

L74899DL1990PLC041188

STATUTORY AUDITORS

M/S AMRG & Associates
Charted Accountants.
18 A, IInd Floor, North (West),
New Delhi-110026.

SECRETARIAL AUDITORS

M/s. Nitin K. Mishra & Associates
(Practicing Company Secretaries)

SUBSIDIARIES

DIRECT SUBSIDIARIES

CHD Infra Projects Private Limited
Empire Realtech Private Limited
International Infratech Private Limited
Delight Spirits Private Limited
CHD Elite Realtech Private Limited

SUBSIDIARY OF CHD Infra Projects Private Limited

CHD Hospitality Private Limited

PRINCIPAL BANKERS/ FINANCIAL INSTITUTIONS

Axis Bank Ltd.
Bank of Baroda
Reliance Home Finance Limited
Reliance Capital Limited
Kotak Mahindra Bank Limited
IndusInd Bank Limited
Indiabulls Housing Finance Limited
CSL Finance Limited
State Bank of India
YES Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS

Skyline Financial Services Pvt Ltd.
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020, Ph: 011-26812682

NOTICE

Notice is hereby given that the Twenty Ninth Annual General Meeting of the Members of CHD Developers Limited will be held at Aadyant School, Plot No. 10-11, Nelson Mandela Road, Vasant Kunj, New Delhi-110070 on Saturday, 7th March, 2020 at 10:00 A.M. to transact the following businesses:

ORDINARY BUSINESS:-

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2019 including the reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Gaurav Mittal (DIN: 00052968), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To Appoint Statutory Auditors To Fill Casual Vacancy:

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

ORDINARY RESOLUTION:

"**RESOLVED THAT** pursuant to the provisions of Section 139(8) read with rules made thereunder and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. D N A & Co., Chartered Accountants (FRN 019866N), be and is hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. AMRG & Associates, Chartered Accountants (FRN 004453N).

RESOLVED FURTHER THAT M/s. D N A & Co., Chartered Accountants (FRN 019866N), be and is hereby appointed as Statutory Auditors of the Company, to hold the office of the Statutory Auditors of the Company up to the conclusion of the 30th Annual General Meeting and to conduct the Statutory Audit for the period ended 31st March, 2020, on such remuneration as may be fixed by the Board of Directors in consultation with them."

4. To ratify the remuneration payable to the Cost Auditors for the Financial Year 2019-20 and if thought fit, to pass, with or without modification, following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Rahul Jain & Associates, the cost auditor appointed by the Company to conduct cost audit of records of the Company related to 'Construction' activities for the financial year 2019-20, be paid a fees of Rs. 50,000/- (Rupees Fifty Thousand) as remuneration for the cost audit services for the Financial year 2019-20.

   "RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to the aforesaid resolution."

5. To Appoint Mr. Varinder Singh (DIN- 02923407) as Independent Director

   To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

   "RESOLVED THAT pursuant to the provisions of Sections 149,152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Mr. Varinder Singh (DIN- 02923407), who was appointed as an Additional Director (Category-Independent) w.e.f. 09th October, 2019 in terms of Sections 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for a term upto five consecutive years commencing from 09th October, 2019 and shall not be liable to retire by rotation."

   "**RESOLVED FURTHER THAT** Mr. Gaurav Mittal, Managing Director of the Company, be and is hereby authorized to file relevant forms with the Registrar of Companies, NCT of Delhi & Haryana, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment"

6. To Appoint Mr. Nishant Goyal (DIN- 07647389) as Independent Director

   To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

   "RESOLVED THAT pursuant to the provisions of Sections 149,152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any modification or amendment thereof, Mr. Nishant Goyal (DIN- 07647389), who was appointed as an Additional Director (Category-Independent) w.e.f. 25th October, 2019 in terms of Sections 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for a term upto five consecutive years commencing from 25th October, 2019 and shall not be liable to retire by rotation."

"**RESOLVED FURTHER THAT** Mr. Gaurav Mittal, Managing Director of the Company, be and is hereby authorized to file relevant forms with the Registrar of Companies, NCT of Delhi & Haryana, and to do such other acts, deeds and things as may be considered necessary in connection with the above appointment"

By order of the Board of Directors

For CHD Developers Limited

Sd/-

Place: New Delhi **Gaurav Mittal**

Date: 15th January, 2020 **(Managing Director)**

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM SELF/ HER SELF AND THE PROXY (IES) NEED NOT BE A MEMBER OF THE COMPANY. PROXY (IES) IN ORDER TO BE EFFECTIVE MUST BE SIGNED, STAMPED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. BLANK PROXY FORM IS ANNEXED HERETO.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Proxy holder shall carry his/her valid identity proof (Driving License, Voter ID Card, Passport, PAN card) in order to prove his/her identity.

2. The business set out in the notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this notice under Note No. 17. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto

3. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.

4. A relative Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out material facts concerning the special business to be transacted at the meeting is annexed hereto.

5. The Register of Members and the Share Transfer Books of the Company shall remain closed from 1st March, 2020 to 7th March, 2020 (both days inclusive).

6. Members holding shares in electronic form are requested to notify change in their address to their Depository participants with whom they are maintaining their Demat Accounts and members holding physical shares are requested to notify any changes in their address etc. quoting their folio no.(s) to the Registrar & Share Transfer Agents at the following address, at the earliest to avoid inconvenience at a later stage :

   Skyline Financial Services Private Limited
   D-153A, 1st Floor, Okhla Industrial Area,
   Phase-I, New Delhi-110 020, Ph: 011-26812682

7. Members are requested to bring attendance slip along with their copy of the Annual Report to the venue of the meeting.

8. In case of Joint Holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar & Share Transfer Agent.

10. Transfer of Unclaimed / Unpaid amounts to the Investor Education and Protection Fund (IEPF):

    Pursuant to Sections 205A and 205C, and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, were required to be transferred to the IEPF. Section s 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), also contain similar provisions for transfer of such amounts to the IEPF both of which became applicable with effect from September 7, 2016, Accordingly, all unclaimed / unpaid dividend, interest on deposits as well as the principal amount of deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company, shall be transferred to, IEPF established by the Central Government. As per Section 124(6) of the Act read with the IEPF Rules as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account.

    The Company serves this as a reminder to all the shareholders whose Dividends are lying unpaid /

unclaimed, to claim the same. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5. Members can file only one consolidated claim in a financial year as per the IEPF Rules. Members who have not yet encashed their dividend warrant(s) pertaining to the final dividend, are requested to lodge their claims with the Company.

As per the Sections 124 and 125 of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') the Company has uploaded the information in respect of the Unclaimed Dividends, as on the date of last AGM i.e. September 29, 2018, on the website of the IEPF viz. www.iepf.gov.in and under 'Investors' section on the website of the Company viz. www.chddevelopers.com

The Company will be transferring dividend to IEPF as per the following schedule:

S. No.	Financial Year	Type of Dividend	Due date for transfer to IEPF	Last date for transfer to IEPF
1	2010-11	Final Dividend	October 31, 2018	November 30, 2018
2	2011-12	Final Dividend	November 05, 2019	December 05, 2019
3	2012-13	Final Dividend	November 04, 2020	December 04, 2020

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the AGM.
12. Relevant documents referred to in the accompanying notice and the statements are open for inspection by the members at the registered office of the Company on all working days, except Saturdays during business hours upto the date of the meeting.
13. The relevant details of the Directors seeking re-appointment pursuant to Regulation 36 (3) and 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2 are annexed to the notice.
14. To support the "Green Initiative" Members who have not registered their e-mail addresses so far are requested to register their e-mail address with the Company's Share Registrars and Transfer Agents/ their Depository Participants, in respect of shares held in physical/ electronic mode respectively.
15. Shareholders holding shares in physical form are requested to provide copy of PAN Card and Bank details to the Company as per SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018.
16. SEBI vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated 08-06-2018 mandates shareholders holding shares in physical form to get their shares demat till December 05, 2018 after which request effecting transfer of securities shall not be processed.
17. **Voting through electronic means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, read with the Companies (Management and Administration) Amendment Rules, 2015 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS 2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The members shall refer to the detailed procedures on e-voting explained herewith.

II. The facility for voting through ballot paper shall also be made available at the AGM and Members attending the meeting who have not cast their vote by remote e voting shall be able to exercise their right at the meeting through ballot paper.

III. 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.

IV. **Procedure to cast vote electronically is as under:**

(i) The voting period begins on 04.03.2020 at 09:00 am and ends on 06.03.2020 at 05:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) on 28.02.2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders / Members

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for CHD Developers Limited.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xix) **Note for Non – Individual Shareholders and Custodians**

— Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

— A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

— After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

— The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

— A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(A) The remote e-voting period begins on Wednesday, 04 th March, 2020 at 09:00 a.m. and ends on Friday, 06th March, 2020 at 5:00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 28th February, 2020, may cast their vote electronically. At the end of Remote e-voting period, the e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

(B) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. Friday, 28th February, 2020 may follow the same instructions as mentioned above for e-Voting.

(C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday, 28th February, 2020.

(D) Members may send e-mail at investorservices@chddevelopers.com for any grievances connected with electronic means.

(E) The Company has appointed Mr. Mukesh Kumar, Practicing Company Secretary (Membership No. 19399) as the Scrutinizer for remote e-voting process and scrutinizing the voting through poll at the meeting in a fair and transparent manner.

(F) The Chairman shall, at the Annual General Meeting, after the end of discussion on the resolutions on which voting is to be held, allow voting through ballot paper with the assistance of scrutinizer," for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

(G) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favor of or against, if any, not later than three days after the conclusion of the AGM to the Chairman or a person authorized by him in writing who shall countersign the same and declare the results of the voting forthwith.

(H) The result, along with the Scrutinizer's Report, will be placed on the Company's website, www.chddevelopers.com and on the website of CDSL immediately after the result is declared by the Chairman or any other person authorized by the Chairman, and the same shall be communicated to BSE Limited.

Important Communication to Members

A) **PHYSICAL SHAREHOLDERS** – Please provide your e-mail ID to the Company urgently at investorservices@chddevelopers.com to enable you to receive prompt and safe delivery of important communications from the Company.

Also

B) DEMAT SHAREHOLDERS – Please provide your e-mail ID immediately to your Depository Participant (DP) where you have your demat account to enable you to receive prompt and safe delivery of important communications from the Company.

Such section also confirms and support the "Green Initiative" of Corporate Governance initiated by the Ministry of Corporate Affairs as per the Rule 18 of Companies (Management and Administration) Rules, 2014 which allows companies to send any notice/ document (including Annual Report) to its members via e-mail.

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

The following statement sets out all the material facts about the special business mentioned in accompanying Notice.

Item No. 3

M/s. AMRG & Associates, Chartered Accountants, have tendered their resignation from the position of Statutory Auditors due to non-payment of professional fees, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 (“Act”). Casual vacancy caused by the resignation of auditors can be filled up by Board of Directors in Board Meeting and required to be approved by Shareholders in General Meeting within period of Three Months. It is proposed that M/s. D N A & Co., Chartered Accountants, be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. AMRG & Associates, Chartered Accountants.

M/s. D N A & Co., Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

Item No. 4

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Rahul Jain & Associates, Practicing Cost Accountant as the cost auditor of the Company to conduct audit of cost records of the Company for ‘Construction’ activities for the Financial Year 2019-20 at a fee of Rs. 50,000/- plus applicable Taxes as remuneration for the cost audit services for the Financial year 2019-20

In accordance with provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, proposed remuneration of Cost Auditor has to be ratified by shareholders of the Company. Accordingly your approval is sought for the same. The Board of Directors recommends the above resolution for your approval.

None of the Director or Key Managerial Personnel of the Company or their relatives is concerned or interested in this resolution.

Item No. 5

As per the provisions of section 149(4) of the Companies Act, 2013, every listed company shall have optimum number of Executive and Non-Executive Directors and to comply with the requirement of optimum number of Executive and Non-Executive Directors as may be required for the proper constitution of Committees of Board. The Board of Directors of the Company appointed Mr. Varinder Singh as an Additional Director (Category-Independent) w.e.f. 09th October, 2019 to hold office for a period of five consecutive years, not liable to retire by rotation, subject to the consent of the Members of the Company at the ensuing Annual General Meeting (“AGM”).

As an Additional Director Mr. Varinder Singh holds office up to the date of this Annual General Meeting is eligible for being appointed as an Independent Director. The Company has received a declaration from Mr. Varinder Singh under Section 149(7) of the Companies Act, 2013 confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Varinder Singh is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company.

Mr. Varinder Singh aged 41 years, has completed his MBA (Marketing & Sales) from Institute of Marketing and Management (IMM), New Delhi and he has approx. 14 years of rich experience in real estate sector and has brilliant expertise in the real estate field. His presence on the Board will lead to better management of the affairs of the company.

In the opinion of the Board, Mr. Varinder Singh fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Varinder Singh is independent of the management and possesses appropriate skills, experience and knowledge. Details of Mr. Varinder Singh are provided in the “Annexure” to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India. As Mr. Varinder Singh was appointed after the financial year on 09.10.2019, therefore he was not eligible to attend any meetings of the Board of Directors of the Company.

Mr. Varinder Singh is interested and concerned in the Resolution mentioned at Item No.5 of the Notice. Other than Mr. Varinder Singh, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.5 of the Notice.

Item No. 6

As per the provisions of section 149(4) of the Companies Act, 2013, every listed company shall have optimum number of Executive and Non-Executive Directors and to comply with the requirement of optimum number of Executive and Non-Executive Directors as may be required for the proper constitution of Committees of Board. The Board of Directors of the Company appointed Mr. Nishant Goyal as an Additional Director (Category-Independent) w.e.f. 25th October, 2019 to hold office for a period of five consecutive years, not liable to retire by rotation, subject to the consent of the Members of the Company at the ensuing Annual General Meeting (“AGM”).

As an Additional Director Mr. Nishant Goyal holds office up to the date of this Annual General Meeting is eligible for being appointed as an Independent Director. The Company has received a declaration from Mr. Nishant Goyal under Section 149(7) of the Companies Act, 2013 confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Nishant Goyal is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company.

Mr. Nishant Goyal aged 27 years, has completed his B. Com (Commerce) from Delhi University and is also member of Institute of Company Secretaries of India. Mr. Nishant has approx. 3 years of rich experience in corporate laws and has brilliant expertise in the corporate laws and Intellectual Property Rights. His presence on the Board is required for the purpose of Composition of Board of the Company.

In the opinion of the Board, Mr. Nishant Goyal fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Nishant Goyal is independent of the management and possesses appropriate skills, experience and knowledge. Details of Mr. Nishant Goyal are provided in the "Annexure" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. As Mr. Nishant Goyal was appointed after the financial year on 25.10.2019, therefore he was not eligible to attend any meetings of the Board of Directors of the Company.

Mr. Nishant Goyal is interested and concerned in the Resolution mentioned at Item No.6 of the Notice. Other than Mr. Nishant Goyal, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution mentioned at Item No.6 of the Notice.

By order of the Board of Directors

For CHD Developers Limited

Sd/-

Place: New Delhi **Gaurav Mittal**
Date: 15th January, 2020 **(Managing Director)**

Annexure

Disclosure under Section II of Part II of Schedule V of the Companies Act, 2013 is as under:

General Information:-

Nature of Industry	**Real Estate**
Date or expected date of commencement of commercial production	N.A. As the Company was incorporated in the year 1990 and has already commenced its business activities
In case of new Companies expected date of commencement of activities as per projects approved by the financial institutions appearing in the prospectus	N.A.
Foreign investments or collaborations, if any	There is no direct foreign investment in the Company except to the extent shares held by NRIs acquired through Secondary Market. There is no foreign collaboration in the Company.

Financial Performance based on given indicators:

(₹ in lakhs)

Particular	31.03.2019	31.03.2018
Total Revenue	13,483.86	13251.04
Depreciation	119.26	199.27
Finance cost	1,191.71	963
Total expenses	13,337.19	13167.19
Net Profit before Tax	146.67	83.85
Tax expenditure	116.98	(12.55)
Net Profit after Tax	29.69	96.40

Information about the Appointee(s):-

Particular	Mr. Gaurav Mittal	Mr. Varinder Singh	Mr. Nishant Goyal
Background details	Given in Explanatory Statement	Given in Explanatory Statement	Given in Explanatory Statement
Past Remuneration (FY 2018-19)	During the financial year ended March 31, 2019, a sum of Rs. 50,40,000 was paid as total remuneration	N. A.	N. A.
Recognition & Awards	Young Achievers Award by Realty Plus	N.A.	N.A.
Job Profile & Suitability	Given in Explanatory Statement	Given in Explanatory Statement	Given in Explanatory Statement
Remuneration Proposed	N.A.	N.A.	N.A.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Apart from receiving managerial remuneration and holding 1,23,77,200 equity shares along, he does not have any pecuniary interest with the Company. He is related to Mr. Rajinder Kumar Mittal, Whole Time Director of the Company, (resigned i.e. 18th July, 2019).	N.A.	N.A.

Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person

"The Indian real estate market, which was at its lowest level in the past four to five years, has witnessed some recovery in 2019 with more transparency and greater consolidation. Tough sectoral reforms such as demonetisation, RERA (Real Estate Regulatory Authority) and GST have already been factored in and the market will see their positive impact in the coming years. With all these changes the Indian real estate sector will witness high growth and there will be rise in demand for office as well as residential spaces. Responding to an increasingly well-informed consumer and keeping in mind the globalization of the Indian business outlook, real estate developers have also shifted gears and accepted fresh challenges.

Considering which it is also a imperative for real estate Companies to have highly experienced professionals having specialized knowledge and skills to understand and project the market trend, consumer behavior, demands other relevant indicators for growth of the Company. It also requires expertise for appropriate fund allocation, optimum utilization of various resources in the business. Mr. Rajinder Kumar Mittal and Mr. Gaurav Mittal have successfully proved their expertise in very effective manner and drove the Company towards the growth over a period of time. Hence the Board of Directors after taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Gaurav Mittal, the remuneration paid to him is justified and is commensurate with the remuneration packages paid to their similar counterparts in other companies.

Other Information:-

Reasons for loss or inadequate profit

The Company is primarily engaged in real estate activities and the performance of the Company is temporarily affected, due to slowdown in the Real Estate industry, overall slowdown in the economy, and delay in statutory approvals for projects of the Company, and liquidity crunch etc. Although the Company has sufficient projects in progress to cover up any such eventuality but there could be temporary slowdown in operations for any particular year(s).

Steps taken or proposed to be undertaken for improvement

To mitigate the above stated risk factor, Company ensures that sufficient sale velocity is maintained to take care of completion of projects on scheduled time. Management of your Company trying hard to resolve the problem of liquidity arise in the company and Timely completion of projects along with focus on customer centricity and transparency has given comparative edge to the Company in marketing its projects. This also ensures timely payments from customers. Management of your Company ensures that pro-active steps are taken to take care of any likely future eventuality.

Expected increase in productivity and profits in measureable terms

CHD is experiencing an era of interesting policies that is transforming the real estate sector. Affordable housing and infrastructure gets a significant push by the government. The government rolled out various incentives to boost affordable housing. To begin with, the GOI designated this vital sector as a favoured segment under its Housing for all by given the housing demand of the country, the real demand lies in the mid segment (which is now being described as affordable housing). While the governments will keep on pushing reforms, it is critical that more developers get into this segment and with RERA getting stabilised, consumers will get attracted to the lower interest rates, along with tax benefits attached to it 2022 initiative. The most recent Union Budget provided direct tax relaxation to the lowest income earners, along with much-needed clarity on the designated beneficiaries under the Pradhan Mantri Awas Yojana (PMAY). The government also brought in a new Credit Linked Subsidy Scheme (CLSS) for the middle-income group. With a proper implementation of all these changes there will be a surge of growth and demand in the housing sector, which indeed is good news for us.

The prime standout factor for CHD is our timely delivery. Our asset-light business model based primarily on joint developments, and focus on turning around projects in quick time has helped us deliver most of the projects on or before the delivery date. Hence, at a time when the markets are challenging for most of our contemporaries, we have secured growth. The policies and initiatives of the company, coupled with that of the government and the rapidly escalating housing demand are expected to catalyze our growth in a profitable way over the foreseeable future.

Government's push in promoting affordable housing will continue and will lead in overall recovery of sector The Company is very conscious about improvement in all spheres with a focus on delievery

and undertakes constant measures to improve. However, it is extremely difficult in the present scenario to predict profits in measurable terms

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment along with remuneration as specified under Section 190 of the Companies Act, 2013.

CHD
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Details of Directors seeking appointment/ re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36 (3), 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2]

Information about the Appointee(s):-

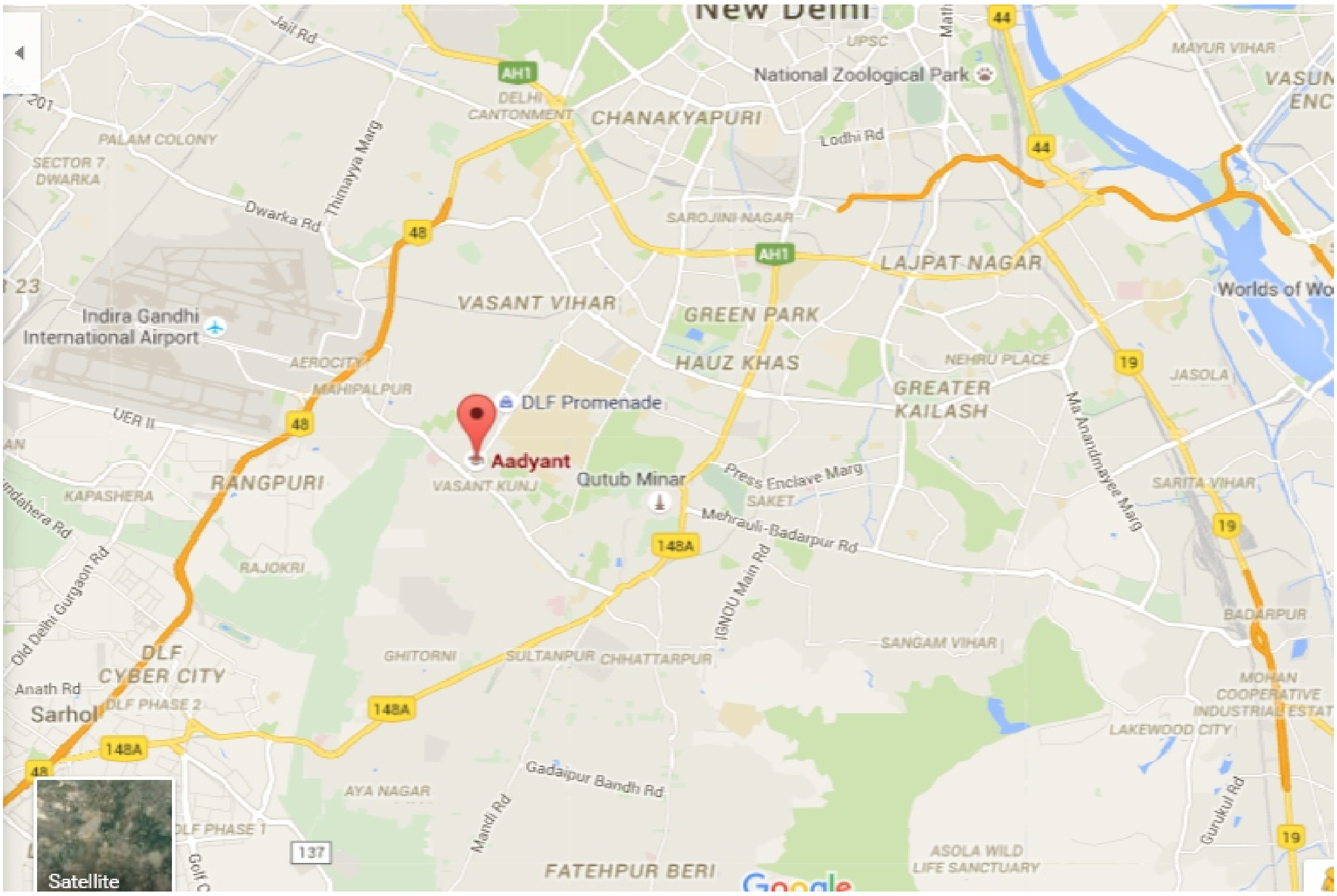
Name of the Director	**Mr. Gaurav Mittal**
Date of Birth	11.10.1978
Director Identification Number (DIN)	00052968
Original Date of Appointment	30/05/1997
Expertise in specific functional areas and Qualifications	He has more than 20 years experience in real estate and hospitality sector. Mr. Gaurav Mittal holds a management degree from Brandford University, United Kingdon and has done OPM Program from Harvard Business School, USA
Relationships between Directors inter-se	Son of Mr. Rajinder Kumar Mittal (Mr. Rajinder Kumar Mittal has ceased to be director of the Company w.e.f. 18th July, 2019.)
No. of shares held in the Company	Mr. Gaurav Mittal holds 1,23,77,200 equity shares of the Company.
List of companies in which Directorship held as on 31.03.2019 including subsidiaries of public company (excluding foreign, private and Section 8 companies)	CHD Developers Limited CHD Agro Products Private Limited Delight Spirits Private Limited Golden Infracon Private Limited CHD Energy Private Limited Armaan Global Private Limited CHD Skyone Developers Private Limited Divine Townships Private Limited CHD Infra Projects Private Limited CHD Elite Realtech Private Limited CHD Blueberry Realtech Private Limited CHD Facility Management Private Limited Aadyant Education Private Limited Capital Institute Of Competitiontraining Private Limited British Butler Institute (India) Private Limited
Chairman/ Member of the Mandatory Committees of the Board of the companies on which he is a Director as on 31.03.2019	**CHD Developers Limited-** Stakeholder Relationship Committee (Member) Corporate Social Responsibility Committee (Member)

Name of the Director	Mr. Varinder Singh
Date of Birth	03/07/1978
Director Identification Number (DIN)	02923407
Original Date of Appointment	09/10/2019
Expertise in specific functional areas and Qualifications	Mr. Varinder Singh has completed his MBA (Marketing & Sales) from Institute of Marketing and Management (IMM), New Delhi and he has approx. 14 years of rich experience in real estate sector and has brilliant expertise in the real estate field. His presence on the Board will lead to better management of the affairs of the company.
Relationships between Directors inter-se	NA
No. of shares held in the Company	NA
List of companies in which Directorship held as on 31.03.2019 including subsidiaries of public company (excluding foreign, private and Section 8 companies)	Virasat Buildtech Private Limited
Chairman/ Member of the Mandatory Committees of the Board of the companies on which he is a Director as on 31.03.2019	NA

Name of the Director	Mr. Nishant Goyal
Date of Birth	17/03/1992
Director Identification Number (DIN)	07647389
Original Date of Appointment	25/10/2019
Expertise in specific functional areas and Qualifications	Mr. Nishant Goyal aged 27 years, has completed his B. Com (Commerce) from Delhi University and is also member of Institute of Company Secretaries of India. Mr. Nishant has approx. 3 years of rich experience in corporate laws and has brilliant expertise in the corporate laws and Intellectual Property Rights. His presence on the Board is required for the purpose of Composition of Board of the Company.
Relationships between Directors inter-se	NA
No. of shares held in the Company	NA
List of companies in which Directorship held as on 31.03.2019 including subsidiaries of public company (excluding foreign, private and Section 8 companies)	NA
Chairman/ Member of the Mandatory Committees of the Board of the companies on which he is a Director ason 31.03.2019	NA

Pursuant to Regulation 26 of the Listing Regulations, only two Committee viz. Audit Committee and Stakeholders Relationship Committee have been considered

Route Map to the venue of the Annual General Meeting



CHD DEVELOPERS LTD.

CHD DEVELOPERS LIMITED

Regd. Office: 201, Radha Chambers, Plot No. 19-20, G Block Community Centre, Vikaspuri, New Delhi 110018

CIN – L74899DL1990PLC041188

TWENTY NINTH ANNUAL GENERAL MEETING ON SATURDAY, 07TH March, 2020

PROXY FORM

Name of the Member(s): ....

Registered address: ....

....

E-mail ID: ....

Folio No./Client ID: ....

DP ID: ....

I/We, being the Member holding …………. shares of the above named company, hereby appoint

1. Name: ………………………………… Address: ………………………………………….. E-mail Id: ……………………………….Signature: ……………………….., or failing him

2. Name: ………………………………… Address: ………………………………………….. E-mail Id: ……………………………….Signature: ………………………., or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the company, to be held on Saturday, 07th March, 2020 At 10:00 a.m. at Aadyant School, Plot No. 10-11, Nelson Mandela Road, Vasant Kunj, New Delhi-110070 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	**Resolutions**	For	Against
	Ordinary Business:		
1.	Adoption of Audited Financial Statements of the Company including Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon		
2.	Re-appointment of Mr. Gaurav Mittal (DIN- 00052968, who retires by rotation and being eligible, offers himself for re-appointment		
	Special Business		
3.	To Appoint Statutory Auditors To Fill Casual Vacancy		
4.	Ratification of remuneration of Cost Auditors of the Company for the financial year 2019-20 ending 31st March, 2020.		
5	To Appoint Mr. Varinder Singh as Independent Director		
6	To Appoint Mr. Nishant Goyal as Independent Director		

Signed this…..................… day of……….............. 2020

Signature of shareholder ………………………………..........……

Signature of Proxy holder(s) ………………………………........

Affix revenue stamp
of Rs. 1/-

Note:

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. **For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.**
3. **Please complete all details including details of members(s) in above box before submission**

CHD
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CHD DEVELOPERS LIMITED

Regd. Office : 201, Radha Chambers, Plot No. 19-20, G Block Community Centre, Vikaspuri, New Delhi 110018

CIN – L74899DL1990PLC041188

ATTENDANCE SLIP

DP ID* …………………………………………… Folio. No…………………………………………

Client ID* ………………………………………… No. of Shares held ……………………………….

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

Name(s) in full	Father/husband's Name	Address as Registered with the Company
1 ………………………………	………………………………	………………………………………
2 ………………………………	………………………………	………………………………………

I/We hereby record my/our presence at the 29th Annual General Meeting of the Company to be held on Saturday, the 07th March, 2020 at 10.00 A.M. at Aadyant School. Plot No. 10-11, Nelson Mandela Road, Vasant Kunj New Delhi – 110070.

Signature of the shareholder(s)/Proxy holder (s)

1………………………………………………. 2 ……………………………………………….

Notes: Members/Proxy holders are requested to produce the attendance slip in original duly signed and complete in all respect for admission to the meeting hall.

NO GIFTS/COUPONS SHALL BE DISTRIBUTED AT THE MEETING

Certificate under Regulation 17(8) of SEBI (LODR) Regulations, 2015

To,
The Board of Directors,
CHD Developers Limited

Dear Sirs/Madam

We, Gaurav Mittal, Managing Director (MD) of CHD Developers Limited, to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31.3.2019 and that to the best of our knowledge and belief:

   1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

   1) There are no significant changes in internal control over financial reporting during the year;

   2) There are no significant changes in accounting policies during the year; and

   3) That there has been no instance of significant fraud of which we have become aware.

Sd/-
(Gaurav Mittal)
Managing Director

New Delhi
January 15, 2020

DIRECTORS' REPORT

To,

The Members,
CHD Developers Limited

Your Directors are pleased to present their Twenty Ninth Annual Report together with the Audited Accounts and Financial Statements for the year ended 31st March, 2019.

1. FINANCIAL RESULTS

The summarized financial results of the Company for the year ended 31st March, 2019 are as follows:

(Amount in Rs. Lacs)

Particulars	Standalone		Consolidated	
	31.03.2019	**31.03.2018**	**31.03.2019**	**31.03.2018**
Revenue from operations	13,483.86	13,251.04	15,285.08	14999.37
Profit before Tax, Depreciation and Interest	1,457.64	1246.12	1,480.60	1279.66
Interest	1,191.71	963.00	1,191.71	965.45
Depreciation	119.26	199.27	125.37	203.69
Profit before Tax	146.67	83.85	163.51	110.52
Profit after Tax	29.69	96.40	53.20	123.97

2. DIVIDEND

Keeping in view need to conserve resources for growth of the Company, your Directors are constrained not to recommend any dividend for the year under review.

3. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE

STANDALONE

During the financial year 2018-19 your Company achieved a turnover of Rs. 13,483.86 Lacs (Rs. 13,251.04 Lacs in 2017-18) and Net profit (Post tax) for the year 2018-19 stood at Rs. 29.69 Lacs (Rs. 96.40 Lacs in 2017-18). The Basic Earning per share (EPS) is 0.03. The Company doesn't propose to transfer any amount to the general reserves.

CONSOLIDATED

During the financial year 2018-19 your Company achieved a consolidated turnover of Rs. 15,285.08 lacs (Rs. 14999.37 Lacs in 2017-18) and Net profit (Post tax) for the year 2018-19 stood at Rs. 53.20 Lacs (Rs. 123.97 Lacs in 2017-18). The Earning per share (EPS) is 0.04.

OPERATIONS

In this weak real estate market Company's maintained its performance as total turnover stood at Rs. 134.84 Crores in the financial year 2018-19 better than previous year turnover of Rs. 132.51 Crores in 2017-18. During the year, the overall real estate market remained subdued. However, there are signs of revival of economy which will benefit real estate sector.

Your company has started construction on its project launched in financial year 2017-18 in CHD City, Karnal and sold out many of Flats in this Project. Spread Over a land of 40 Acres approximately, located on NH-44 (GT Road, Karnal). Said project strengthen existing presence and image of CHD Group in Karnal.

Our brand, presence, demonstrated track record and capabilities put the Company in a strong position and the desired and expected improvement in the real estate industry environment will allow the company to be in a better position in the years ahead. The Company is always embarking on making its presence in the real estate industry and has solidified its brand image by sustaining on to its achievements.

4. SHARE CAPITAL

During the year under review, there has been no change in Equity Paid up Share Capital of the Company and as on 31st March, 2019, Paid up Equity Share Capital of the Company was Rs. 25,71,84,572 (Twenty Five Crores Seventy One Lacs Eighty Four Thousand Five Hundred and Seventy Two only) divided into 12,85,92,286 equity shares of Rs. 2/- each

No shares with differential voting rights, stock or sweat equity shares were issued by the company during the year under review.

5. SECRETARIAL STANDARDS

The Board confirms that, during the period under review, the Company has complied with all applicable secretarial standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the Institute Of Company Secretaries Of India.

6. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither statutory auditors nor the secretarial auditor has reported to the audit committee, under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the company by its officers or employees, the details of which would be required to be mentioned in the Board's Report.

7. DIRECTORS

In accordance with the provisions of section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Gaurav Mittal, Managing Director of your Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment, subject to the approval of Shareholders of the Company. A brief resume of Mr. Gaurav Mittal is attached with the Notice of Annual General Meeting.

During the financial year, following changes took place in the composition of the Board of Directors of the Company:

Mr. Sunil Kumar Sachdeva who was appointed as Additional Director (Category – Independent) of the Company was regularized in the Annual General Meeting held on 29th September, 2018 and has resigned from directorship with effect from 26th August, 2019.

Mr. Pran Nath and Mrs. Shalu Varshney, Independent Directors resigned from their positions w.e.f. 30.03.2019 and 22.01.2019 respectively.

Mrs. Shalu Varshney was appointed as an Additional Director (Category – Independent) of the Company on 11.04.2018 and was regularized in the Annual General Meeting held on 29th September, 2018.

Mrs. Shailly Goel, Independent Director resigned from directorship on April 11, 2018

Further after the period under review Mrs. Simta Garg and Mr. Aman Agarwal were appointed as Additional Director (Category- Independent) of the Company on March 30, 2019 and both has resigned from directorship on 13th August, 2019 and 07th October, 2019 respectively.

Further, Mr. Varinder Singh and Mr. Nishant Goyal have been appointed as additional director (Independent) with effect from 09th October, 2019 and 25th October, 2019. (not liable to retire by rotation) to hold office as such for a period of 5 (five) consecutive years.

Declaration by Independent Directors

The Company has received declarations from all the independent directors of the Company that they meet the criteria of independence as provided under Section 149(6) of Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Performance Evaluation

SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of Directors on various parameters. Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board on its own performance and that of its Committees, Chairman of the Board and Individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent Directors shall be done by the entire Board of Directors, excluding the Directors being evaluated.

The Company has a proper Board Evaluation Framework for performance evaluation of Independent Directors, Board, Non-Independent Directors and Chairman of the Company. Pursuant to this framework, a process of evaluation was followed by the Board for its own performance and that of its committees and individual directors.

In terms of Section 134 (3) (p) read with Articles VII and VIII of Schedule IV of the Companies Act, 2013, the Board carried out an annual evaluation of its own performance and that of its statutory committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and that of individual Directors.

The Board also assessed the performance and the potential of each of the Independent Directors with a view to maximizing their contribution to the Board. As envisaged by the Act, the Independent Directors at a meeting conducted, reviewed the performance of the Chairman of the Board. At the same meeting, the review of the Executive Directors was also carried out.

The Company has also devised a program for familiarization of independent directors with the Company, nature of the industry in which Company operate, business model of the Company and other related matters, which has been placed on the website of the Company and can be accessed at the link hhttp://www.chddevelopers.com/investors/codes-and-policies

Following policies of the Company are attached herewith as **Annexure 'A'** and **Annexure 'B'** respectively:-

- Board Evaluation Framework; and
- Nomination & Remuneration Policy for Directors, Key Managerial Personnel and other employees.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company:

1. Mr. Gaurav Mittal – Managing Director
2. Mr. Ravinder Singh Kataria – Company Secretary

Mr. Rajinder Kumar Mittal – Whole time Director has resigned from his position w.e.f 15th July, 2019.

Mr. Naresh Kumar Sharma resigned as CFO of the Company w.e.f. 15th July, 2019 and Ms. Sonki Sharma joined as CFO of the Company w.e.f. 15th July, 2019 but due to personal reasons, Ms. Sonki Sharma resigned from her position and ceased to be CFO of the Company w.e.f 30th July, 2019

Mr. Sachin Kumar resigned as Company Secretary w.e.f. 29th April, 2019 and Mr. Ravinder Singh Kataria joined as Company Secretary & Compliance officer of the Company w.e.f. 14th June, 2019.

Mr. Gaurav Mittal has been appointed as Chief Executive Officer (CEO) of the company with effect from 14th August, 2019.

8. Material Changes Affecting Financial Position of the Company

No material changes or commitments, affecting the financial position of the Company have occurred during the financial year to which the financial statement relates i.e. March 31, 2019 and up to the date of the Board's Report.

9. AUDITORS

Statutory Auditors

M/s. D N A & Associates, Chartered Accountants (FRN 019866N), was appointed as statutory auditors by the Board of Director of the Company, to fill casual vacancy caused by the resignation of M/s. AMRG & Associates, Chartered Accountants (FRN 004453N) upto the conclusion of the 30th Annual General Meeting in terms of the provisions of Section 139 of the Companies Act, 2013 read with Rules made thereunder.

The Auditors have been appointed to conduct the audit of Financial Year 2019-20, subject to the approval of the members of the Company ensuing Annual General Meeting of the company. They have confirmed their eligibility to the effect that their appointment, if approved, would be within the prescribed limits under the Act and that they are not disqualified for appointment.

Management's Reply to Auditor's qualification.

Management's reply to statutory Auditor's qualifications and a Statement of Impact of Audit Qualification (for audit report with modified opinion) as required under SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015 is attached as **Annexure 'C'**.

Cost Auditors

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. Rahul Jain and Associates, Practicing Cost Accountant, as Cost Auditors of the Company for conducting Cost Audit of the Company for the financial year 2019-20, at a remuneration of Rs. 50,000/- (Rupees. fifty thousand only).

M/s. Rahul Jain and Associates has appropriate experience in the field of cost audit and has conducted the audit of the cost records of the Company for the past years.

Secretarial Auditors and report

As per Section 204 of the Companies Act, 2013 inter-alia requires to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form. The Board has appointed M/s. Nitin K. Mishra & Associates, Practicing Company Secretary, as Secretarial Auditor to conduct Secretarial Audit for the financial year 2018–19 and their report is annexed to this Board Report as **Annexure –'D'.**

10. MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

The Management's Discussion and Analysis Report and Corporate Governance Report for the year under review together with a certificate from the Company's Statutory Auditors confirming compliance forms part of this Report.

Your Company is committed to maintaining the highest standards of Corporate Governance and adhering to Corporate Governance requirements as set out by Securities and Exchange Board of India. Report on Corporate Governance is annexed as **Annexure 'E'** and Management Discussion and Analysis report is separately given under the Annual Report.

11. EXTRACTS OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 (1) of The Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is attached as **Annexure 'F'**.

12. DIRECTORS' RESPONSIBILITY STATEMENT

As required by the provisions of section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

1. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation to material departure;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.
5. 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;
6. The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. DEPOSITORY SYSTEM:

Company's equity shares are available for dematerialization through National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2019, 99.57 % of the equity shares were held in dematerialized form.

14. SUBSIDIARIES OF THE COMPANY

As on 31st March, 2019 the Company had following subsidiaries, all incorporated in India:

DIRECT SUBSIDIARIES

S. No.	Name of the Company	% Holding
1.	Golden Infracon Private Limited	100*
2.	CHD Facility Management Private Limited	100*
3.	CHD Infra Projects Private Limited (Formerly known as CHD Armaan Realtech Private Limited)	100
4.	Empire Realtech Private Limited	100
5.	International Infratech Private Limited	100
6.	Delight Spirits Private Limited	100
7.	CHD Elite Realtech Private Limited	100
8.	CHD Blueberry Realtech Private Limited	100*

*These are not subsidiaries on date of Board Report.

SUBSIDIARIES OF CHD Infra Projects Private Limited

1.	CHD Hospitality Private Limited	100

- A part of total share capital of CHD Elite Realtech Private Limited and CHD Blueberry Realtech Private Limited is held by M/s. CHD Infra Projects Private Limited, which itself is a 100% subsidiary of CHD Developers Limited.
- CHD Hospitality Private Limited is a 100% Subsidiary of CHD Developers Limited through CHD Infra Projects Private Limited which holds 99.71 % shareholding of CHD Hospitality Private Limited.

The Board has formulated a policy for determining Material Subsidiaries in terms of Regulation 16 (1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 , which has been placed on the website of the Company and can be accessed at the link: http://www.chddevelopers.com/investors/codes-and-policies

The company shall provide a copy of the financial statement of its subsidiary companies to the members of the Company on their request. The financial statement of its subsidiary companies will also be kept open for inspection by any members at the registered office of the Company during business hours and will also be available on the website of the Company

Performance and financial position of subsidiaries, associates and joint venture companies

as required under SEBI LODR and section 129 of the Act, the consolidated financial statements have been prepared by the Company in accordance with the applicable accounting standards and form part of the Annual Report. A statement containing salient features of the financial statements of the subsidiaries is set out in the prescribed form AOC – 1 as required under rule of the Companies (Account) Rules, 2014 form part of the notes to the consolidated financial statements.

15. PUBLIC DEPOSITS

During the year under review, the Company had accepted Fixed Deposits under Fixed Deposit Scheme in compliance with the provisions of Section 73 and 76 and other relevant provisions of the Companies Act, 2013 and Rules made there under as amended from time to time

The details of the Deposit are as follows:

1. Accepted Fixed Deposits during the year amounting to Rs. 3344.64 Lacs.
2. On 31st March, 2019 such deposits stood at 3509.91 Lacs as against Rs. 3575.55 Lacs at the closer of the preceding financial year.
3. There was unclaimed deposits aggregating Rs.70,000/- pertaining to 1(one) depositor as on 31.03.2019.
4. There is no default in repayment of deposits or payment of interest thereon, during the year.

16. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

The information required under Section 197(12) of the Companies Act, 2013 and rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure 'G'** to this report and form part of this Report.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is attached as **Annexure 'H'**.

18. LISTING AT STOCK EXCHANGE

The Equity Shares of the Company continue to be listed on BSE Limited. The annual listing fee for the current year has been paid to BSE Limited.

19. DISCLOSURES

Corporate Social Responsibility (CSR)

Your Company has always laid emphasis on progress with social commitment. We believe strongly in our core values of empowerment and betterment of not only the employees but also our communities. Following this principle the Company had laid the foundation of a comprehensive approach towards promoting and facilitating various aspects of our surrounding communities.

The Board has approved a policy for Corporate Social Responsibility and same has been uploaded on the website of the Company i.e. www.chddevelopers.com.

S. No.	Particular	Details
1	A brief outline of the Companies CSR Policy including overview of project or programs proposed to be undertaken and a reference to be undertaken and a reference to the web link to the CSR Policy and projects or programs and the compositions of CSR Committee	Refer details as above
2	Average Net Profit of the Company for last three financial years	747.10 Lacs
3	Prescribed CSR Expenditure (2% of the amount mentioned in Item 2 Above)	14.94 Lacs
4	Details of CSR spent during the year	NIL
5	Total amount to be spent for the financial year	14.94 Lacs
6	Amount unspent	14.94 Lacs

Reasons for not spending the amount allocated for CSR

The CSR Committee in its meeting had sanctioned the whole amount as expenditure towards CSR Projects which was to be spent on sectors like Eradicating Hunger, poverty & malnutrition, promoting preventing healthcare, sanitation and safe drinking water, promoting education, Rural Development and Environmental Sustainability but the execution did not happen as the quantum of amount was less and there was liquidity crunch in the Company during the year.

However, the Company is endeavored to ensure full utilization of the allocated CSR Budget and for this the Board of Directors have decided to spend all the amount unspent in financial year 2018-19 and shall be added to CSR budget for the Financial year 2019-20.

During the year, the Company has not incurred any expenditure on CSR Activities / Projects.

Audit Committee

As at 31st March, 2019 the Audit Committee of the Company comprises of Mr. Sunil Kumar Sachdeva (Chairman) Mr. Aman Agarwal (Member), Mrs. Simta Garg (Member) as other members of the Committee.

Vigil Mechanism & Whistle Blower Policy

The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be reported to the Vigilance & Ethics Officer which operates under the supervision of the Audit Committee, as protected disclosures through an e-mail, or dedicated telephone line or a written letter. Employees may also report directly to the Chairman of the Audit Committee.

The Whistle Blower Policy and Vigil Mechanism have been placed on the website of the Company and can be accessed at the link http://www.chddevelopers.com/investors/codes-and-policies

Risk Management Policy

The Board has approved and implemented risk management Policy of the Company including identification and element of risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. There are no significant element of risk, which in the opinion of the Board may threaten the existence of the Company, However any risks identified will be systematically addressed through mitigating actions on a continuous basis.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has in place an Internal Complaints Committee to inquire into complaints of sexual harassment and recommend appropriate action.

There was no case of sexual harassment reported during the year under review.

Particulars of contracts or arrangements with related parties

All contracts/arrangements/transactions entered by the Company during the financial year with related parties as defined under the Companies Act and SEBI LODR Regulations were in the ordinary course of the business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Accordingly the disclosures of Related Party transactions as required under section 134(3) of the Companies Act, 2013 in form AOC-2 is not applicable. Attention of members is drawn to the disclosures of transactions with related parties as set out in notes to accounts –Note number 33 forming part of the financial statements.

Meetings of Board of Directors

During the year under review 12 (Twelve) meetings of Board of Directors were held. Further details regarding the Board Meetings have been provided under Corporate Governance Report annexed with this Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013

Particulars of Loan given, Investments made, Guarantee given and Security Provided

Particulars of loan given, investments made, guarantees given and securities provided along with the purpose for which loan, guarantee or security is proposed to be utilized by the recipient are provided in standalone financial statements.

Internal Financial Controls and its Adequacy

The Company has in place adequate internal financial controls with reference to financial statements and with the size, scale and complexity of its business operations. During the year such controls were tested and no reportable material weakness in the design or operation was observed.

The scope and functions of Internal Auditor are defined and reviewed by the Audit committee. The

Internal Auditor reports to the Chairman of the Audit Committee. The Internal Auditor assesses opportunities for improvement of business processes, systems and controls, to provide recommendations, which can add value to the organization.

The Company has a proper Board Evaluation Framework for performance evaluation of Independent Directors, Board, Non-Independent Directors and Chairman of the Company. Pursuant to this framework, a process of evaluation was followed by the Board for its own performance and that of its committees and individual directors.

Transfer to Investor Education and Protection Fund

In compliance with Section 124 of the Companies Act, 2013, amount remaining unclaimed in respect ofmatured deposit and interest thereon, which was lying unclaimed with the Company was transferred to the Investor Education and Protection Fund during the financial year 2018- 19.

The Company has transferred Rs. 119,045 /- (P.Y. Rs 92,492/-) to the Investor Education and Protection Fund in respect of the financial year 2018-19.

20. GENERAL

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items, during the year under review:-

i. Neither the Managing Director nor the Whole Time Director of the Company received any remuneration or commissions from any of its subsidiaries.

ii. No significant or material orders were passed by the regulators or courts or tribunals, which impact the going concern status and company's operations in future.

21. ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the support extended by its employees, Bankers, Customers and various Government Agencies, who through their continued support and cooperation helped in the Company's progress. The Board also wishes to thank the shareholders for their unstinted support and acknowledge the hard work, dedication and commitment of the employees.

By order of the Board of Directors
For CHD Developers Limited

Sd/-
Place: New Delhi **Gaurav Mittal**
Date: January 15, 2020 **(Managing Director)**

ANNEXURE-"A"

BOARD EVALUATION FRAMEWORK

Preface

Current dynamics of Domestic and International business requires that the officers' in-charge of day to day business of the Company are well qualified, well trained & equipped, constantly evalued so as to keep pace with the challenges of ever changing socio economic scenario.

Such officers' in the parlance of an incorporated entity are the Board of Directors'.

The Board of Directors' of any diversified company shoulders not only the responsibility of growth and profitability of the business but also the impact of the business of the Company on the society and economy under which they operate.

In light of the above, the Company has devised this policy of Board Evaluation framework, which inter alia includes the policy of Board's diversity, Board's Training and Evaluation of performance, of the Board of Directors including Independent Directors.

Objective

The Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015 require every listed company to formulate this Board Performance Evaluation Frame Work. While following the spirit of diversity, the Company maintains that the appointments to the Board should be based on merit as well as complementing and expanding the skills, knowledge and experience of the Board as a collective body.

Board's Training Policy

The Company recognizes that the present complex business environment requires that the Board of the Company is trained from time to time to equip it with the latest trends in the domestic and International market relating to technology, best practices of corporate governance, environmental protection, Taxation, legal and financial Laws, HR policies, Marketing, Risk assessment and minimization.

Through the training policy the Company intends to achieve the following targets:

— Development of understanding in which the Board operate and the associated responsibilities;

— Providing an overview of the knowledge and competences expected from Directors in today's environment;

— Develop skills that contribute to the creation of an effective Board culture and performance;

— Hone the ability to challenge executives through positive exchanges focused on the key issues that underpin corporate performance.

The Company would from time to time organize seminars, classroom sessions and workshops to achieve the purpose of its Training Policy and at the same time ensuring the compliance of relevant Laws include SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Board's Evaluation Policy

As per the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board. Further the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation framework (including all Committees of the Board and individual directors).

The following process is established to carry out the evaluation of the Board of Directors:

1. Independent Directors may, at their meeting, review the performance of the Chairman, the Non-Independent Directors and the Board;
2. Nomination and Remuneration Committee may, at its meeting, carry out the evaluation of every Director's performance. The Committee, while doing so, may also consider the outcome of review by Independent Directors;
3. The Board may evaluate the performance of the Board, the Committees as defined in this Policy and each Director and while doing so, may also consider the inputs received from the Nomination and Remuneration Committee and the review by Independent Directors.

Some of the assessment criteria, that should be considered by the Board, Nomination and Remuneration Committee and Independent Directors for evaluation of the performance, are as follow -

I. <u>Assessment Criteria for performance evaluation of Board</u>

1. Size, structure, diversity, experience, skills and expertise of the Board
2. Willingness to spend time to discuss the matters put up before the Board for discussion
3. Development of Strategy and Business plans at appropriate time and check its effectiveness
4. Proper number of committees as required by legislation and guidelines
5. Guidance to drive financial and business performance of the Company and periodic review of the same

6. Strategic and business risk evaluation, assessment and timely action
7. Corporate Governance standards adopted by the Board and its implementation
8. Understanding roles and responsibilities of Directors
9. Code of conduct and Ethics and adherence thereto
10. Independence of Board functioning

II. Assessment Criteria for performance evaluation of Committees

In addition to the principles stated above for evaluation of Board to the extent applicable to the respective committee, the following criteria may also be kept in mind for evaluation of committee –

1. Appropriateness of the responsibilities delegated to the committee
2. Corporate Governance standards adopted and implemented by the Committee
3. Implementation of the policies and procedure according to changing business practices and market conditions
4. Adequacy of terms of reference stated by the Board for the Committee and the role played by the committee according to such terms of reference
5. Effectiveness of suggestions and recommendation made to the Board

III. Assessment Criteria for performance evaluation of Non-Independent Director

Evaluation of Non-Executive Directors

1. Participation at the Board/Committee meetings and willingness to spend time during the meeting
2. Integrity and maintaining of confidentiality
3. Knowledge and expertise
4. Independent judgment in relation to decision making
5. Understanding about roles, responsibilities and disqualification as a director

Evaluation of Executive Directors

In addition to the parameter decided for Non-Executive Directors, evaluation of Executive Directors should also be based on following parameters –

1. Skill, expertise, experience, knowledge about the operations and products of the Company
2. Development and management of business plan, operational plans and financial affairs of the Company
3. Achievement of financial/business targets prescribed by the Board
4. Managing relationship with the Board, management team, bankers and other stakeholders
5. Establishment of an effective organization structure to ensure management focus on key functions necessary for the growth of the Company
6. Development of policies and strategies aligned with industrial practice, need of shareholders, customers, employees and other stakeholders
7. Ensuring to provide information on item requiring Board decisions with recommendation based on supporting documents and thorough study

IV. Assessment Criteria for performance evaluation of Independent Director

In addition to the criteria laid down for Non-Executive Directors, for performance evaluation of an Independent Director, other criteria like objective evaluation of Board's performance, unbiased opinion on various matters, compliance of Code of Conduct and Ethics, Code for Independent Directors, Insider Trading Code etc. may also be considered.

V. Assessment Criteria for performance evaluation of Chairman

In addition to the above, the following criteria may be kept in mind while evaluating the performance of the Chairman:

1. Relationship and Communication within the Board
2. Leadership quality
3. Promoting constructive debate and discussion in the meeting
4. Effectiveness of communication with the shareholders and other stakeholders
5. Promoting effective participation of all Board members in decision making process
6. Promoting shareholders confidence in the Board
7. Ensuring ease of raising issue and concern by the Board Members

Separate Meeting of the Independent Directors

As required by the provisions of Schedule IV to the Act and as per the provisions of regulation 25 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-independent Directors and members of the management.

The meeting shall:

1. review the performance of Non-independent Directors and the Board as a whole;
2. review the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-executive Directors;

3. assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
4. This meeting could be held prior or after the Board Meeting. The Independent Directors are free to call such meeting at any point of time, as desired.

Familiarization program for Independent Directors

As required by the provisions of Schedule IV to the Act and as per the provisions of regulation 25 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to develop a Familiarization Program for the Independent Directors of the Company.

The Company will impart Familiarization Programmes for new Independent Directors inducted on the Board of the Company. The Familiarization Programme of the Company will provide information relating to the Company. The programme also intends to improve awareness of the Independent Directors on their roles, rights, and responsibilities towards the Company. Further, the Familiarization Programme should also provide information relating to the financial performance of the Company and budget and control process of the Company.

Disclosure

In accordance with the requirement under the Act, disclosure regarding the manner in which the performance evaluation has been done by the Board of directors of its own performance, performance of various committees of directors and individual directors' performance will be made by the Board of Directors in the Board report.

Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Directors and employees unless the same is communicated in the manner described as above.

ANNEXURE-"B"

NOMINATION & REMUNERATION POLICY

Preface

At all levels and at all times monetary compensation has been if not the sole but the most important motivational aspect for getting the job fulfilled under any given business scenario.

It is the endeavor of CHD Developers Limited ("Company") that its Nomination & Remuneration Policy should represent the mode in which the Company carries out its business practices i.e. fair, transparent, inclusive and flexible.

The Company strives that its Remuneration Policy should attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits.

This Nomination & Remuneration Policy applies to directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company.

Statutory Requirement

Section 178 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a Nomination and Remuneration Committee ("Committee") and that such Committee shall 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, senior management and other employees.

The Committee shall, while formulating the remuneration policy shall ensure that—

1. 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;
2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. remuneration to Directors, key managerial personnel and senior management 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:

This policy is divided into three parts –

1. PART A – Appointment of Director, KMP and Senior Management Personnel
2. PART B – Board Diversity
3. PART C – Remuneration to Director, KMP, Senior Management Personnel and other employees

Part A - Appointment of Director, KMP and Senior Management Personnel

a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his /
b. 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.

c. Term and Tenure of Director, Independent Director, Managing Director, Whole Time Director and KMP shall be governed by the provisions of Companies Act, 2013 as may be in in force and amended from time to time.

d. Due to reasons for any disqualification mentioned in the Companies Act, 2013 (hereinafter referred to as 'the Act') or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or other employee subject to the provisions and compliance of the said Act, rules and regulations.

e. The Director, KMP 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

f. The remuneration/ compensation / commission/ increment etc. to the Directors and KMP will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / Commission/increment etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required under the Companies Act, 2013.

g. Human Resource Department of the Company in consultation with Chairman/Managing Director of the Company is empowered to appoint the candidates in the Senior Management in terms of the criteria prescribed herein and report their appointment to the Committee. The Committee may also identify and recommend to the Board who may be appointed in senior management in accordance with the criteria laid down.

h. Where any insurance is taken by the Company on behalf of its Whole time Director, Managing Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration

Part-B - Board Diversity

The Board shall consist of such number of Directors, including at least one woman Director and not less than fifty percent of the Board of Directors comprising non-executive directors, as is necessary to effectively manage the Company of its size.

When the Chairman of the Board is a non-executive director, at least one-third of the Board should comprise independent directors and in case the company does not have a regular non-executive Chairman or in case the regular non-executive Chairman is a promoter of the company, at least half of the Board should comprise independent directors.

The Committee will lead the process for Board appointments. All Board appointments will be based on the skills, diverse experience, independence and knowledge which the Board as a whole requires to be effective. The Committee shall seek to address Board vacancies by actively considering candidates that bring a diversity of background and opinion from amongst those candidates with the appropriate background and industry or related expertise and experience The candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

Additionally the Board may consider appointment of experts from various specialized fields such as finance, law, information technology, corporate strategy, marketing and business development, international business, operations management etc. so as to bring diversified skill sets on board or succeed any outgoing director with the same expertise.

Part-C - Remuneration to Director, KMP, Senior Management Personnel And Other Employees

A. Remuneration to Managing Director/Whole-time Director

- **Remuneration**

  The Company strives to provide fair compensation to Directors, KMP, Senior Management Personnel and other employee, taking into considerations following factors–

- Industry benchmark,
- Company's' performance vis a vis industry,
- Scope of duties, roles and responsibilities,
- Skill, knowledge, performance/track record,
- Core performance requirements and expectations of individuals
- Legal and industrial Obligations

Managing Director/ Whole-time Director shall be eligible for remuneration as may be approved by Shareholders of the Company on the recommendation of the Committee and the Board of Directors.

The remuneration payable to any one managing director or whole-time director shall not exceed 5% of the net profits of the company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors taken together.

The break-up of the pay scale and quantum of allowances, perquisites including, employer's contribution to P.F, pension scheme, medical expenses, car & driver facility etc. shall be decided and approved by the Board on the recommendation of the Committee. The remuneration may also be paid in the form of Profit linked Commission but with the overall limits as stated above.

- **Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Whole-time Director in accordance with the Schedule V and other applicable provisions of the Act and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

- **Provisions for excess remuneration**

If any Managing Director/Whole-time 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 sanction 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.

B. Remuneration to Non-Executive and Independent Director

- **Sitting Fees**

  The Non-executive and Independent Directors of the Company shall be paid sitting fees as approved by the Board in terms of the provisions of the Act and no sitting fee is paid to Non-executive Non Independent Directors.

- **Stock Options**

  Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company.

C. Remuneration to KMP, Senior Management, other Employees

Apart from the Directors, remuneration along with annual increment of all other KMP, Senior Management Personnel and other employees of the Company shall be determined by HR department in consultation with Managing Director/Whole-time Directors of the Company.

The remuneration and increment thereof should be in line with company's philosophy to provide fair compensation to employees based on their experience, roles and responsibilities, performance track record, legal obligation, industry benchmark, job complexity etc.

The various remuneration components such as basic salary, allowances, perquisites, etc may be combined to ensure an appropriate and balance remuneration package.

The Incentive pay shall be decided by HR department of the Company based on the HR policies in relation thereto and considering the balance between performance of the Company and performance of the Key Managerial Personnel, Senior Management Personnel and other employee. The Committee may recommend to the Board a policy for granting Stock options to KMP, Senior Management Personnel and other employees in line with the provisions of the Act, SEBI regulation and the provision of any other applicable laws.

This Remuneration Policy shall apply to all existing and future employees of the Company.

Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Directors and employees unless the same is communicated in the manner described as above

ANNEXURE ”C”

COMPANY’S REPLIES TO THE AUDITORS QUALIFICATIONS / RESERVATIONS

STATUTORY AUDITORS’ REPORT	MANAGEMENT’S REPLY
Qualified Opinion	
Reply to Point No. 3 of Auditor’s Report	The company is going through a tough phase as the entire Real Estate Sector in Delhi-NCR is going through very lean period. Hardly any new sales, new launches happened. Due to lack of fund shortage, there is grave impact over on-going construction activities in the sector. But, since the company is having enough assets to re-pay all debts and other liabilities, so there will not be any impact over the Going Concern principle of the company. (a) High net liability or net current liability position – Total Current Assets are Rs. 66,977.64 Crores whereas Total Current Liabilities are Rs. 51,308.98 Lacs, which is well in limits. (b) Adverse key financial ratios – Total Current Assets are Rs. 66,977.64 Crores whereas Total Current Liabilities are Rs. 51,308.98 Lacs, which is well in limits. Further, the management of the company is trying its best to recover from this lean period and trying for new investors, new fund sources, etc. to meeting such its expenses towards construction and other liabilities.
Emphasis of Matters	
Reply to Point No. 5 of Auditor’s Report	Budget revision - The company is going through a very tough phase, as the entire Real Estate Sector in Delhi-NCR is going through very lean period. Hardly any new sales, new launches happened. Due to lack of fund shortage, there is grave impact over on-going construction activities in the sector. Under these circumstances, no vendor is ready to provide any credit facilities in the market, therefore, due to shortage of credibility in the market, company’s buying cost is constantly varying and so as the vendors.
Reply to Point No. 6 of Auditor’s Report	Trade payable – the company has changed its accounting software from SAP to Far-Vision, which was not very effective and efficient in comparison to SAP. However, we have extracted various types of trade payable reports and provided the same to the auditors but due to system constraints, we were unable to provide the report in the given format by the auditors and they were reluctant to accept the report in any other format.
Reply to Point No. 7 of Auditor’s Report	TDS Payable – Due to shortage of funds at the time of signing of financial statements, the company had not paid the TDS Amount. However, at the later date, the company has paid all the outstanding TDS Payable and filed its returns as well. The details of pending TDS Payable paid at the later date are as under. EDC/IDC Payable amounting to Rs. 13,561 Lacs is being entered in books of accounts on due basis. However, M/s

	CHD Developers Limited and Its group Companies have already filed a case in High Court, Haryana and Punjab against the state of Haryana in regard to payment of EDC/IDC due. Since the state Government has already collected enough amount in previous years and no development has been made and therefore, Hon'ble High Court has granted the stay regarding balance payment of EDC/IDC wide order no. CWP No. 29545 to 29548 of 2018 (O & M) & CWP No. 29554 of 2018 (O & M) dated 07.05.2019. PF Payable - Due to shortage of funds at the time of signing of financial statements, the company had not paid the PF Amount. However, at the later date, the company has paid all the outstanding PF Payable and filed its returns as well..
Reply to Point No. 8 of Auditor's Report	Input Tax Credit – As mentioned in above point no. 6, the balance of Trade Payable / Creditors were true and fair as on the date of Balance sheet and thus the balance of ITC were also correct in the financial statements. But, the auditors were reluctant to accept any other format except format provided by them, they were unable to comment on ITC as well.
Reply to Point No. 9 of Auditor's Report	Allotment of Share warrants – the due date for issue of balance share warrants was in August 2019 and same has been lapsed. Seeing the present market scenario of the real estate sector, the investor was not interested to invest any further amount in the company. However, the investors had various meetings with the management of Company and management is assuring that they will convince the investors to reinvest the further money over the period of time.
Reply to Point No. 10 of Auditor's Report	Public Deposits – as per the relevant provisions and rules for Deposits, 20% of the maturity amount during the following financial year, has to be kept in "Deposit repayment reserve account" in schedule Bank. The company has deposited the required amount in the forms of fixed deposits in a schedule Bank having the same nature of "Deposit Repayment Reserve Account" and the copies of such Fixed Deposits had been duly provided to the Auditors.
Reply to Point No. 11 of Auditor's Report	Bank Balances – The Company has provided all the bank statements along with bank book to the auditors for their verifications but the auditors have specifically provided formats for Bank balance confirmation. However, the Company has approached the bank to get this confirmation but bank was reluctant to provide such confirmation in any other format apart from their bank statements. Further, all the bank balances were duly checked by the auditors on random basis and there were no disparity in the same. Sundry Debtor – Sundry Creditors – Balances standing in the books of accounts as on 31st March, 2019, the company has sent various confirmation letters to all sundry debtors and sundry creditors. However, the company has received only a few balance confirmations by the signing of Balance Sheet, the same were provided to the auditors for their verification but they were rigid to verify all confirmations, which was practically not possible to get all the confirmations in such a short span of time. However, the Company is still getting balance confirmation along with their respective reconciliation.

CHD
DEVELOPERS LTD.

ANNEXURE "D"

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members
M/S. CHD Developers Limited
201, Radha Chambers, Plot No. 19-20,
G Block Community Centre, Vikaspuri,
Delhi DL 110018 India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHD Developers 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms, statutory registers 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, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/confirmation, 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, 2019 according to the provisions of:

i. The Companies Act, 2013 and the rules, made thereunder

ii. The Securities Contracts (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;

v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

   a. The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) regulations 2015;

   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

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

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

vi. We, based upon the Management Representation, 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 the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company and Other Applicable Laws on the basis of confirmation by way of Management Representation Letter received from the management:

   a. The Real Estate (Regulation and Development) Act, 2016 and rules of the state(s) where project were being undertaken.

   b. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996

   c. The Land Acquisition Act, 1984

   d. Transfer of Property Act, 1882

   e. Indian Easements Act, 1882

   f. Registration Act, 1908

   g. Shops and Commercial Establishments Act, 1958 read with Shops and Commercial Establishments Rules with respect to office situated at:

      i). SF-16-17, 1st Floor, Madame Bhikaji CamaBhawan, 11, Bhikaji Cama Place, New Delhi-110066, India (office shifted w.e.f 22 April, 2019)

   h. Employees Provident Fund and Miscellaneous Provisions Act, 1952, The Employees Provident Funds Scheme, 1952, The Employees Deposit-Linked Insurance Scheme, 1976 & The Employees Pension Fund Scheme, 1995.

i. The Contract Labour (Regulation & Abolition) Act - 1970 and Rules framed thereunder with respect to construction site. situated at:

i). In Gurgaon:

i. Avenue 71, Sohna Road, Sector 71, Gurgaon, Haryana

ii. CHD Vann, Sohna Road, Sector 71, Gurgaon, Haryana

iii. Golf Avenue 106, Sector-106, Gurgaon, Haryana

iv. CHD E Way Towers, Sector 109 Dwarka Expressway Gurgaon

v. CHD Resortico, Sector-34, Sohna, South of Gurgaon, Haryana

ii). In Karnal:

CHD City, Sector-45, Karnal, Haryana

j. The Employees State Insurance Act, 1948, Employees State Insurance (Central) Rules, 1950 and Employees State Insurance (General) Regulations, 1950

k. Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976

l. Maternity Benefit Act, 1961 read with State Maternity Benefit Rules framed thereunder.

m. Minimum Wages Act, 1948 read with State Minimum Wages Rules framed thereunder.

n. The Payment of Gratuity Act, 1972 read with State Payment of Gratuity Rules framed thereunder.

o. Child Labour (Prohibition and Regulation) Act, 1986 read with Child Labour (Prohibition and Regulation) Rules, 1988.

p. Building and Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996.

q. Payment of Wages Act, 1936 read with State Payment of Wages Rules framed thereunder.

r. The Payment of Bonus Act, 1965 read with the Payment of Bonus Rules, 1975

s. The Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act 2013

t. Public Liability Insurance Act

u. Professional Tax Act

However, our Report does not in any way comment upon the compliance of the above laws and also not being qualified too.

We have also examined compliance with the applicable clauses of the following:

i. The Secretarial Standards formulated by the Institute of Company Secretaries of India and notified by the Central Government.

ii. The Listing Agreements entered into by the Company with the BSE Limited.

Our report is to be read along with the noting's as mentioned hereinunder:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above subject to the following facts:

1. The Company, vide its management representation letter dated 16.09.2019, stated that these related party transactions were entered into with related parties on arm's length basis and in the ordinary course of business and therefore, these transactions are not covered by virtue of third proviso to sub-section (1) of Section 188 of the Act.

2. As confirmed by the management vide its management representation letter dated 16.09.2019, The Company stated that the compliance of the Contract Labour (Regulation & Abolition) Act, 1970 is ensured by the respective contractor at the respective construction site situated at various places in Haryana.

3. As confirmed by the management vide its management representation letter dated 16.09.2019, the Company stated that the Company is regular in ensuring the compliance of Building and Other Construction Workers (Regulation of Employment

4. As confirmed by the management vide its management representation letter dated 16.09.2019, the Company stated that the Company is not discharging the contaminated water at the public drains/rivers. The Company has efficient water treatment plants at the office situated at Delhi and at respective construction site situated at various places in Haryana (if applicable).

5. As per the Director's Report dated 14.08.2018 the Company gave declaration for spending Rs 55 lacs towards corporate social responsibility expenditure in the year 2017-18, pursuant to Section 135 of Companies Act, 2013.

6. As per Note 5 of the Independent Audited Report dated 30.05.2018 read with Para 12 of the Director Report dated 14.08.2018, it was observed that the Company has accepted the deposit from shareholders and public while the Statutory Auditors of the Company vide its Audit Report dated 29.06.2019, has stated that the Company has not maintained " Deposit Repayment Reserve Account" in schedule Bank. Although company have fixed Deposit of required amount with Axis Bank.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executives Directors, Independent Directors, and the Women Directors.

Adequate notice along with detailed agenda were given to all directors for the Board Meetings and a system exists for seeking and obtaining further information and clarification on agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes maintained by the Company for the Board/ Committee and Shareholders, we noticed that most of the decisions were approved by the respective Board/ Committee and Shareholders without any dissent note.

We further report that we cannot comment on the 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 because we have not physically visited the project site located at various places at Haryana.

We also report that the compliances of other applicable laws, as listed in Para (vi) above, are based on the management representation letter.

For Nitin K. Mishra & Associates
(Company Secretaries)

Nitin Kumar Mishra
ACS: 34396; CP-14804
Date: 21st September, 2019
Place: Delhi

Management discussion and analysis

Indian economy

It was one of the most exciting year for the Indian economy owing to the significant events which strengthened India's position in the global eco-system.

Indian Government's path-breaking and investment inducing policies enabled India to take centre stage in the global village as its rankings improved considerably.

- India emerged as the most competitive country in South Asia, appearing in Top 50 in the global competitiveness ranking of 137 countries by the World Economic Forum.
- India leapfrogged to the 77th rank in the World Bank's latest Ease of Doing Business rankings, jumping 23 notches from last year, consequent to major improvements in indicators such as resolving insolvency, paying taxes, protecting minority investors and getting credit.

Going forward, economic experts suggest that India would maintain its growth momentum. According to World Bank's India Report, India's GDP growth rate is expected to increase to 6.7 % in 2019-20.

The real estate sector

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

The real reality

India's residential real estate market hasn't had it easy in recent years.

Short-term demand factors have stalled growth, and low consumer demand at current prices has accentuated the problem and increase the inventory for Real Estate Sector. Absorption rates have stagnated, causing high levels of overhang across all major cities.

Not surprisingly, property prices tumbled in many cities. Even plummeting prices haven't been able to entice India's home-buyers. According to real estate consultancy firm Knight Frank, home purchases in the country fell to a seven-year low in recent years despite sliding prices.

The real estate slump may not be over yet - A recovery in the real estate sector, where project stalling rates have spiked, may be as prolonged as the slowdown without a significant price correction.

The roots of the crisis can be traced to the real estate bubble in the years leading up to the global financial crash of 2008. The crash led to a global credit freeze and real estate projects across the world were gutted as lenders did their best to avoid this sector.

India was no exception to this trend though credit flow to the sector did not dry up as dramatically as in the West. However, at least the speculative capital in the sector was no longer forthcoming as expectations of investors about the returns from the sector got revised.

Unsurprisingly, project launches in the sector have been declining steadily since the peak of 2007, **according to data from the project-tracking database of the Centre for Monitoring Indian Economy, or CMIE.**

There has been a tectonic shift in the Indian real estate market in the last 10 years. Costs of both land and key inputs (primarily steel and ready-mix concrete) have skyrocketed. Raw material prices have grown by a factor of 2 to 3 times since 2005. Land prices have increased even more dramatically. This means that developer margins are lower than ever before.

Light at the end of the tunnel

All is not lost for the real estate sector. There are signs of light at the end of the tunnel.

At the bottom: According to a UBS report, India's residential real estate sector is at the cusp of a gradual demand revival aided by affordability at 15-year-best levels, high expectations of property price increases over the next one to three years, reasonable comfort on personal finances and implementation of new regulations aimed at regaining buyer confidence. As a result, going forward, residential property sales are expected to gradually recover over the medium term.

Attracting eyeballs:

A. Market Size

Real estate sector in India is expected to reach a market size of US$ 1 trillion by 2030 from US$ 120 billion in 2017 and contribute 13 per cent of the country's GDP by 2025. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Commercial office stock in India is expected to cross 600 million square feet by 2018 end while office space leasing in the top eight cities is expected to cross 100 million square feet during 2018-20. Gross office absorption in top Indian cities has increased 26 per cent year-on-year to 36.4 million square feet between Jan-Sep 2018. Co-working space across top seven cities has increased sharply in 2018 (up to September), reaching 3.44 million square feet, compared to 1.11 million square feet for the same period in 2017.

B. Investments/Developments

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private Equity and Venture Capital investments in the sector have reached US$ 1.47 billion between Jan-Mar 2019. Institutional investments in India's real estate are expected to reach US$ 5.5 billion for 2018, the highest in a decade.

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US$ 25.04 billion in the period April 2000-March 2019.

Some of the major investments and developments in this sector are as follows:

- New housing launches across top seven cities in India are expected to increase 32 per cent year-on-year by 2018 end to 193,600 units.
- In September 2018, Embassy Office Parks announced that it would raise around Rs 52 billion (US$ 775.66 million) through India's first Real Estate Investment Trust (REIT) listing.
- New housing launches across top seven cities in India increased 50 per cent quarter-on-quarter in April-June 2018.
- In May 2018, Blackstone Group acquired One Indiabulls in Chennai from Indiabulls Real Estate for around Rs 900 crore (US$ 136.9 million).
- In February 2018, DLF bought 11.76 acres of land for Rs 15 billion (US$ 231.7 million) for its expansion in Gurugram, Haryana.

C. Government Initiatives

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- Under the Pradhan Mantri Awas Yojana (PMAY) Urban, more than 8.09 million houses have been sanctioned up to May 2019.
- In February 2018, creation of National Urban Housing Fund was approved with an outlay of Rs 60,000 crore (US$ 9.27 billion).
- Under the Pradhan Mantri Awas Yojana (PMAY) Urban 1,427,486 houses have been sanctioned in 2017-18. In March 2018, construction of additional 3,21,567 affordable houses was sanctioned under the scheme.

D. Road Ahead

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth Rs 1.25 trillion (US$ 19.65 billion) in the Indian market over the years. Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The growing flow of FDI into Indian real estate is encouraging increased transparency. Developers, in order to attract funding, have revamped their accounting and management systems to meet due diligence standards.

Outlook

The Indian real estate market is expected to touch US$ 180 billion by 2020. Housing sector is expected to contribute around 11% to India's GDP by 2020. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

Projects in progress

CHD Vann

As the name suggests, Vann (Jungle in English) is where nature's beauty, fragrance and serenity will awaken your body, mind and soul.

Spread across over 10 acres, Vann brings a fresh new perspective to life in a metro, with a forest cover of 5 acres providing an incredible experience of forest living right in the heart of a thriving city. The sole aim is to develop a lifestyle that has its roots in nature.

Located at Sohna Road, Gurgaon, Vann is perfectly suited for those who want a serene lifestyle with the utmost convenience.

At Vann, the centrepiece of the residential apartment is the lofty double height ceiling which gives you the luxury of ample sunshine and unobstructed view of the forest from two levels. All the towers are of varying heights which make sure that they all get beautiful views throughout the year.

106 Golf Avenue

106 Golf Avenue offers you a lifestyle indulged by a privileged few.

It presents the perfect opportunity to exercise supreme affluence with the splendour and awe of a golf life. The lush green acres not only provide the perfect ambience to indulge in a game of pitch & putt, but also endow a life of absolute bliss and serenity.

Adorned with a golf course, this idyllic expanse of 12.34 acres has within its vast greenscape, one of the finest exclusive residential neighbourhoods. Sublime aesthetics of this exclusive residential project and the very best of leisure and recreational facilities redesigns the perception of opulence.

CHD Green Park Residencies

CHD Green Park Residences promises elegant English living in the heart of Karnal.

This project promises to create a unique world in itself with all state-of-the-art amenities like lush green park, schools, food court, hospital and fitness centre just a stone throw away, making it difficult for the residents to leave this residential abode.

CHD eWay Towers

CHD EWay Towers has been designed to become the landmark of the region. This

Architectural wonder will be built using new age building materials for perfect interplay

of Nature & Technology. Designed by R204, one of the leading Los Angeles (USA) based

Architectural firm, this iconic tower truly reflects 21st century Architecture.

CHD Resortico

This project promises an unmatched experience of Mediterranean resort life. At CHD Resortico, tall towers stand overlooking winding pathways, undulating lawns, colourful flowering shrubs and an exquisite beach like pool. Where you lounge under a shack, get glorious tan on the sun-loungers, wade in the azure blue waters or work with your feet in the sand.

Projects completed

RESIDENTIAL

Avenue 71

Paradiso

Bulevar

Spanish Meadows

Lifestyle Premiere

Gayatrilok

Lifestyle Grand

CHD Lifestyle

Silver County

Sri Krishnalok

COMMERCIAL

Daana Paani

Human Resource

CHD's energetic and experienced team is the cornerstone of its success – for they essentially transform boardroom strategies into on-ground realities. As a result, the Company has put in place well-defined people-centric policies to facilitate the knowledge enhancement and career growth of its people. The Company's HR team looks into four key areas:

- Attract the best talent available in the industry
- Develop talent by entrusting of roles / responsibilities and honing skills
- Engage talent by improving standards and inculcating problem-solving techniques
- Inspire talent by embracing the vision and mission of the Company

***Knowledge enhancement*:** Aligned to its comprehensive talent management programme, the Company developed and implemented its training calendar, which was formulated on need-based training and skill development exercises – imparted by in-house and external area experts. This enabled the Company to provide the necessary platform to every employee for skill development. Career progression was ensured through a transparent performance management system, which aimed to fill gaps, hone skills and improve communication.

***Employee engagement*:** In keeping with the Company's philosophy that an engaged employee is an enthused team member, the HR team provided a number of engagement forums which provided a platform for every team member to make a contribution to organisational and operational improvement. Employees are addressed at multiple forums by the top management and department leaders to keep them abreast of changing business realities and emerging organisational challenges.

Internal control

The Company has a sound system of internal controls in place to ensure the achievement of goals, evaluation of risks and reliable financial and operational reporting. This efficient internal control procedure is driven by a robust system of checks and balances that ensures safeguarding of assets, compliance with all regulatory norms and procedural and systemic improvements on a periodic basis.

The Company uses an ERP (Enterprise Resource Planning) package supported by in-built controls. This guarantees well- timed financial reporting. The audit system periodically reviews the control mechanism and legal, regulatory and environmental compliances.

The internal audit team also checks the effectiveness of internal controls and initiates necessary changes arising out of inadequacies, if any. All financial and audit controls are also reviewed by the Audit Committee of the Board of Directors.

Financial performance

(based on Consolidated Financial Statements)

The Company registered a heartening performance in 2018-19. Despite the subdued environment prevailing in the real estate sector owing to structural reforms, rising costs and depressed demand, it registered a revenue of Rs 152.85 crore in 2018-19 against Rs 149.99 crore in the previous year. Significant headwinds and inflationary pressure dented business profitability. Net profit for the year declined from Rs 1.32 crore in 2017-18 to Rs 0.57 crore in 2018-19. The Finance cost for the year increased from Rs 9.65 crore in 2017-18 to Rs 11.92 crore in 2018-19.

During the year under review the Company has not raised funds by way of issue and allotment of Shares, Consequently, the paid up Share Capital of the Company is remain same as in previous year.

Risk management

The Company has a comprehensive risk management system, which analyses the nature of the risk, and prepares mitigation strategies. This framework ensures efficient risk monitoring, identification, assessment and mitigation of external as well as internal risk. The Board of Directors provides oversight and also reviews the Risk Management Policy. Additionally, an independent audit by internal auditors offers a second assessment on potential risks and mitigation measures.

Economy risk

Progress of the real estate sector is closely influenced by the state of the economy.

Risk mitigation: After the set-back in the year 2017-18 owing to policy-led structural reforms, the Indian economy stepped back on track registering a 7%-plus GDP growth in the year 2018-19. Subject experts are of the opinion that this momentum could sustain in the current year.

Confidence risk

Confidence of the average Indian who forms a major proportion of the home buyer community needs to be restored for creating demand.

Risk mitigation: The GST regime and RERA have been acclaimed as a path breaking achievement by India, although their launch did result in short-term disruption. With these policies well in place, confidence in the real estate sector is building up – foreign direct investment has grown significantly. This reality, over time, will shore confidence of the Indian home buyer.

Demand risk

Indian's need to have more money, in addition to confidence, to liquidate inventory and create demand.

Risk mitigation: Despite the temporary disruption in the real estate sector over the last few years, the basic drivers for real estate demand namely, urbanisation, nuclear families, growing aspiration and improving lifestyle remain intact. Moreover, the sharp drop in real estate prices owing to the prevailing gloom coupled with the increased earning of the average Indian (owing to improved corporate earnings) is expected to drive demand over the coming years.

Geographic risk

The Company's concentration in the NCR region could impede its growth.

Risk mitigation: The NCR market continues to be a growing and expanding market with real home buyers (not investors). Delhi NCR witnessed more than 2 million square feet of office space absorption. Traction in office space cascades to an uptick in demand for residential apartments. With better facilities such as utilities, roads and better connectivity, the demand for real estate in this area is expected to grow.

Delivery risk

Delivery, in real estate, is key to success and sustainable growth.

Risk mitigation: The management has taken strategic decisions to alter its business model which promises to strengthen its delivery commitment. For one, it has decided to outsource construction activities to reputed and experienced EPC contractors who will shoulder the entire responsibility of project construction to the end. And two, the Company has outsourced its marketing function to experts in the field who have the experience and expertise to match the project with the customer segment accurately.

Growth risk

The Company needs project launches to grow business.

Risk mitigation: The Company has launched CHD Green Park Residences, part of 200-acre integrated township – CHD City, Karnal. It has registered sale of the project, with an aim of completely selling the project over the next 24-30 months. Moreover, the Company has planned a slew of other projects which will be launched with the improving sentiment of the residential real estate market.

Funding risk

Real estate is a capital intensive business.

Risk mitigation: The Company has raised Rs 87 crore through through issue of equity shares and warrants on preferential basis to the promoter group and investors in the year 2017-18 and These funds was utilised in meeting the construction cost of four projects in Gurugram (Gurgaon) and Karnal. Further as the progress of the projects should help in securing payments from their customers strengthening organisational liquidity.

ANNEXURE-"E"

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company's philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Corporate Governance is essentially a system by which Companies are directed and controlled by the management in the best interest of all stakeholders and the Company provides in time, correct and complete information as required to all its stakeholders. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. Above all, it is a way of life, rather than merely a legal compulsion. Your Company recognizes that strong Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. It, therefore, continues to lay great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

2. Board of Directors ("Board")

The strength of the Board of Directors as on 31.03.2019 comprises of Five Directors.

The Board of Directors comprises of Executive and Non-Executive Directors and the Chairman of the Board is Executive Director. There are three Non-Executive Directors and two Executive Directors. The Directors are eminently qualified and experienced in business, finance and corporate management.

As per the declarations received by the Company, none of the Directors are disqualified under Section 164(2) of Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

S. No.	Name of Director	Status / Designation/Category	Shareholding
1	Mr. Rajinder Kumar Mittal	Promoter, Executive, Chairman and Whole Time Director	21583550
2	Mr. Gaurav Mittal	Promoter, Executive, Managing Director	12377200
3	Mr. Sunil Kumar Sachdeva	Non-Executive Director (Independent)	10000
4	Mr. Aman Agarwal	Non-Executive Director (Independent)	Nil
5	Mrs. Simta Garg	Non-Executive Director (Independent/Woman)	Nil

Mr. Rajinder Kumar Mittal and Mr. Gaurav Mittal in addition to shares mentioned above against their respective names also hold 30,00,000 Warrants each convertible into equivalent number of Equity Shares of Face Value Rs. 2/- each.

* No directors are related to each other except Mr. Rajinder Kumar Mittal and Mr. Gaurav Mittal, who are related to each other as father and son respectively.

None of the Directors holds office in more than 20 companies and in more than 10 public companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 (1) of the Listing Regulations.

Attendance of Directors

The attendance of the Board of Directors at the Board Meetings held during the year and at the last Annual General Meeting along with the number of Directorship and Committee positions held by them are given below. Also the Directors have made necessary disclosures stating that they do not hold directorships in more than seven listed companies pursuant to Regulation 25 of the Listing Regulations. Also membership to committees (Audit Committee and the Stakeholders' Relationship Committee) shall not exceed 10 Committees and / or are acting as Chairman in more than five committees in terms of Regulation 26 of the Listing Regulations.

	Name of the Director	No. of Board Meetings held during the tenure	No. of Board Meetings attended	Attendance at the last AGM held during the year	No. of Directorships in other Boards as on 31st March, 2019*	No. of Memberships in all Committees of the Board as on 31st March, 2019**
1.	Mr. Rajinder Kumar Mittal	12	12	Present	5	1
2.	Mr. Gaurav Mittal	12	12	Present	6	1
3.	Mr. Sunil Kumar Sachdeva	12	12	Present	—	1
4.	Mr. Aman Agarwal	12	0	—	—	2
5.	Mrs. Simta Garg	12	0	—		1
6.	Mrs. Shailly Goel (ceased to be director w.e.f. 11th April, 2018)	12	1	—	—	—
7.	Mrs. Shalu Varshney (ceased to be director w.e.f. 22nd January, 2019)	12	9	—	—	—
8.	Mr. Pran Nath (ceased to be director w.e.f. 30th March, 2019)	12	12	—	—	—

* Exclude directorships in private limited companies/foreign companies/ companies registered u/s 8 of the Companies Act, 2013.

** Audit and Stakeholders' Relationship Committees.

Board Meetings

The Board of Directors is the apex body constituted to look at the strategic planning, policy formulation and to oversee the company's overall functioning. The meetings of Board of Directors were held at the Registered Office of the Company. The functions performed by the Board include review of Minutes of Audit Committee Meetings and other Committees of the Board, adoption of financial results of the Company and review of Company's Operation & Performance.

Twelve (12) Board Meetings were held during 2018-19 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held are: 11th April, 2018, 25th April, 2018, 5th May, 2018, 30th May, 2018, 2nd July, 2018, 14th August, 2018, 12th September, 2018, 24th September, 2018, 11th November, 2018, 18th January, 2019, 12th February, 2019 and 30th March, 2019.

Separate Meeting of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non Independent Directors and members of management, was held during the year, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors of the Company attended the Meeting of Independent Directors

Familiarization Programme for Independent Directors

The Company familiarizes its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. These include orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis.

The Familiarisation programmes imparted to Independent Directors are disclosed on the Company's website at the following weblink

http://www.chddevelopers.com/investors/codes-and-policies

Code of Conduct

The Company has implemented model code of conduct for the Board members and senior Management of the Company. The code of conduct has been posted on the website of the Company i.e. www.chddevelopers.com

A declaration regarding Compliance by Board Members and Senior Management with the Code of Conduct is annexed herewith as **Annexure-A-I**.

3. Audit Committee

Terms of Reference of the Audit Committee

The main function of the Audit Committee is to assess and ensure that the financial statements of the Company are correct. It also recommends for the appointment of Auditors and interacts with the Statutory Auditors before finalization of Annual Financial Accounts and Reports focusing primarily on Accounting Policies, Compliance of Accounting Standards etc. It also reviews the adequacy of internal control system on any matter in connection with review of financial reporting systems and control procedures. The terms of reference of the committee cover the matters specified for Audit Committee under Regulation 18 and Part – C of Schedule - II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Composition and Attendance during the year

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and as per the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate, with Mr. Sunil Kumar Sachdeva, Current Chairman of the Committee, has the relevant accounting and financial management expertise.

The composition of the Audit Committee as on 31st March, 2019 and the details of Meetings attended by the Directors during the year are given below:

	Name of Director	Designation	No. of meetings held during tenure	No. of meetings attended
1.	Mr. Sunil Kumar Sachdeva	Chairman	4	4
2.	Mrs. Simta Garg*	Member	0	0
3.	Mr. Aman Agarwal**	Member	0	0
4.	Pran Nath (ceased to be Member w.e.f 30th March, 2019)	Member	4	4
5.	Shalu Varshney (ceased to be Member w.e.f. 22nd January, 2019)	Member	3	3

*Mrs. Simta Garg was appointed as member of the committee effective 30th March, 2019.

**Mr. Aman Agarwal was appointed as member of the committee effective 30th March, 2019.

The Audit Committee met 4 times during the year and the gap between two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings were held are: 30th May, 2018, 14th August, 2018, 14th November, 2018, 12th February, 2019 and the necessary quorum was present at the above Meetings

4. Stakeholder Relationship Committee (Earlier Shareholders Grievances Committee)

Terms of Reference

The Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.

As on 31st March, 2019, The Committee comprising of the following members of the Board to review Shareholders Complaints and resolving the same. Mr. Pran Nath, non- executive director of the Company was the chairman of the committee and heading the committee.

Composition and Attendance during the year

The Stakeholders Relationship Committee met four times during the year on 30th May, 2018, 14th August, 2018, 14th November, 2018 and 12th February, 2019.

The composition of the Stakeholders Relationship Committee and the details of the Meetings attended by the Directors during the year are given below:

Name of Director	Designation	No. of meetings Held during the tenure	No. of meetings Attended
1. Mr. Pran Nath	Chairman	4	4
2.Mr. Rajinder Kumar Mittal	Member	4	4
3. Mr. Gaurav Mittal	Member	4	4

Name, designation and address of Compliance Officer
Ravinder Singh Kataria
Company Secretary & Compliance Officer

201, Radha Chambers, Plot No. 19-20,
G Block Community Centre,
Vikaspuri, New Delhi 110018
Ph.: 011-28549230
Email:investorservices@chddevelopers.com

During the year 2018-19 the company has not received any complaint and there are no complaints pending as on 31st March, 2019.

5. Nomination and Remuneration Committee

Terms of reference:-

Terms of reference of Nomination and Remuneration Committee includes identifying persons who are eligible to be appointed on the Board of Directors and Senior Management of the Company and to recommend their terms of appointment. Committee also monitors the performance of Directors and members of senior management.

Composition, Membership and attendance during the year;-

The composition of the Committee and the details of Meetings attended by the Directors during the year are given below:

Name of Director	Designation	No. of Meetings held during the tenure	No. of meetings attended
1. Mr. Pran Nath	Chairman	2	2
2. Mr. Sunil Kumar Sachdeva Sachdeva	Member	2	2
3. Mrs. Shailly Goel*	Member	0	0
4. Mrs. Shalu Varshney**	Member	0	0
5. Mrs. Simta Garg****	Member	0	0
6. Mr. Aman Agarwal*****	Member	0	0

* Mrs. Shailly Goel ceased to be member of the committee effective 11th April, 2018.

** Mrs. Shalu Varshney was appointed as member of the committee w.e.f 11th April, 2018.

*** Mrs. Shalu Varshney ceased to be member of the committee w.e.f 22nd January, 2019.

**** Mrs. Simta Garg was appointed as member of the Committee w.e.f. 30th March, 2019.

***** Mr. Aman Agarwal was appointed as member of the Committee w.e.f. 30th March, 2019.

The Committee met four times during the year, on 11th April, 2018, 14th August, 2018, 18th January, 2019 and 30th March, 2019.

Criteria for evaluation of Directors' performance

In keeping with the provisions of the Companies Act, 2013 and the Listing Regulations, Nomination and Remuneration Committee considers various aspects including engagement, strategic planning & risk management and consensus building, etc. while evaluating the performance of the Independent Directors and so far as evaluation of the performance of Non-Independent and Non-Executive Directors are concerned, understanding of the Company's vision and objective, skills, knowledge and experience, governance and contribution to strategy, interpersonal skills were considered as parameters of performance evaluation.

Broadly, the following criteria are reckoned for selection of Independent Directors based on:

(i) Independence from Management.

(ii) No substantial shareholding. of interest.

(iii) other significant relationship which may cause a conflict of interest.

(iv) Capability of taking fair decisions

(v) Independent Directors are expected to balance the decision making process of the Board by constructively challenging the Company's strategy and exercise due diligence.

(vi) Independent Directors should possess the requisite business and industry expertise in thedomain the Company operates in.

(vii) Independent Directors should be competent enough to work effectively like a team member as well as leader with the other Directors of the Board and Committees.

(viii) Independent Directors should contribute constructively in the Board's deliberations.

Remuneration Policy:

The Company follows a market linked policy, which is aimed at enabling the Company to attract and retain the best talent. Compensation is also linked to individual and team performance as they support the achievement of Corporate Goals.

A copy of the Policy has been put on the web-site of the Company on www.chdevelopers.com

Remuneration of Directors

The Company doesn't pay any remuneration to the Non-Executive Directors of the Company. The Company paid to Mr. Gaurav Mittal, Managing Director, a salary of Rs. 50,40,000/- and to Mr. Rajinder Kumar Mittal, Whole Time Director, a Salary of Rs. 9000000/-.

The appointments are contractual in nature and can be determined by either party giving to the other six calendar months notice in writing or lesser notice as may be agreed to. In the event of termination of appointment by the Company, the managerial personnel shall be entitled to compensation in accordance with the provisions of the Companies Act. No stock options were issued by the Company to its directors/ employees.

Sitting Fees:

All the non-executive independent directors waived off the sitting fees to be paid for the year 2018-19, accordingly no sitting fees was paid to them.

6. Corporate Social Responsibility Committee

Terms of Reference

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The terms of reference of the Committee are as follows

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Attend to such other matters and functions as may be prescribed from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company.

Composition and Attendance during the year

The composition of the CSR Committee and the details of the Meetings attended by the Directors during the year are given below:

Name of Director	Designation	No. of meetings held	No. of meetings attended
1. Mr. Rajinder Kumar Mittal	Chairman	2	2
2.Mr. Gaurav Mittal	Member	2	2
3.Mr. Pran Nath*	Member	2	2
4 Mr. Aman Agarwal**	Member	0	0

* Mr. Pran Nath ceased to be member of the Committee w.e.f. 30th March, 2019

** Mr. Aman Agarwal was appointed to be member of the Committee w.e.f. 30th March, 2019

The Committee met once during the year on 14th August, 2018.

7. GENERAL BODY MEETINGS

The Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed are given below:

AGM No.	Year	Venue	Day & Date	Time
26	2016	Plot No. 10-11, Adayant School, Vasant Kunj, New Delhi-110070	Saturday, 24th September, 2016	10.00 A.M
27	2017	Plot No. 10-11, Adayant School, Vasant Kunj, New Delhi-110070	Friday, 29th September, 2017	10.00 A.M
28	2018	Plot No. 10-11, Adayant School, Vasant Kunj, New Delhi-110070	Saturday, 29th September, 2018	10.00 A.M

Details of Special Resolutions passed in last 3 Annual General Meeting(s)

2016

- NIL

2017

- Alteration of Articles of Association
- Charging for delivery of any document through a particular mode on receipt of a request from a member u/s 20 of Companies Act, 2013.

2018

- Payment of remuneration to Mr. Gaurav Mittal, Managing Director of the Company.
- Payment of remuneration to Mr. Rajinder Kumar Mittal, Whole Time Director of the Company.

During the year under review no resolution was passed through postal ballot and neither there is any special resolution to be conducted through postal ballot.

8. Disclosures

a) There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at the following web link http://www.chddevelopers.com/investors/codes-and-policies

b) The Company has complied with all statutory requirements relating to capital markets and there have been no penalties/ strictures imposed on the Company during the last three years on this account.

c) The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

d) The Company has complied with all mandatory requirements under SEBI (LODR) Regulations, 2015, pertaining to Corporate Governance.

e) The Company has formulated a policy on determining 'material' subsidiaries which is available at the Company's link http://www.chddevelopers.com/investors/codes-and-policies

f) The Company has complied with all the requirements of Corporate Governance as specified in regulations 17 to 27 and clauses of regulation 46 of SEBI (LODR) Regulations, 2015 so far as they apply to the Company.

9. Means of Communication

- The Company publishes quarterly, half-yearly and annual results as required under the Listing regulations are in the prescribed format. The results are normally published in the Business Standard (All editions) & Business Standard (Hindi). The results are also sent to the Stock Exchange for general information and for putting on their web site. The notice of the AGM is sent to the shareholders well in advance of the AGM. The gist of the notice is also published in newspapers. The Company regularly puts latest information and financial data on Company's website also i.e. www.chddevelopers.com
- Company has not made any presentations to any institutional investors/analyst during the year.
- Management Discussion and Analysis Report forms part of this Annual Report.

10. General Shareholders' Information

Annual General Meeting:

Day & Date	:	Saturday, 07th March, 2020
Time	:	10:00 A.M.
Venue	:	Aadyant School Plot No - 10, 11, Nelson Mandela Road, Vasant Kunj, New Delhi-110070
Book Closure	:	01th March, 2020 to 07 th March, 2020

Dividend Payment date:-

The Board of Directors has not recommended any dividend for the year ended 31st March, 2019

Financial Year

1st April to 31st March

Listing on Stock Exchanges:

The Equity Shares of the Company as on the date are listed on BSE Limited and the Company confirms that it has paid annual listing fees to the Exchange.

Name & Address of the Stock Exchange	**BSE Limited,** Phiroz Jeejeebhoyhoy Towers, Dalal Street, Mumbai-400001 Ph: 022-22721234, 22721233 Fax: 022-22721919

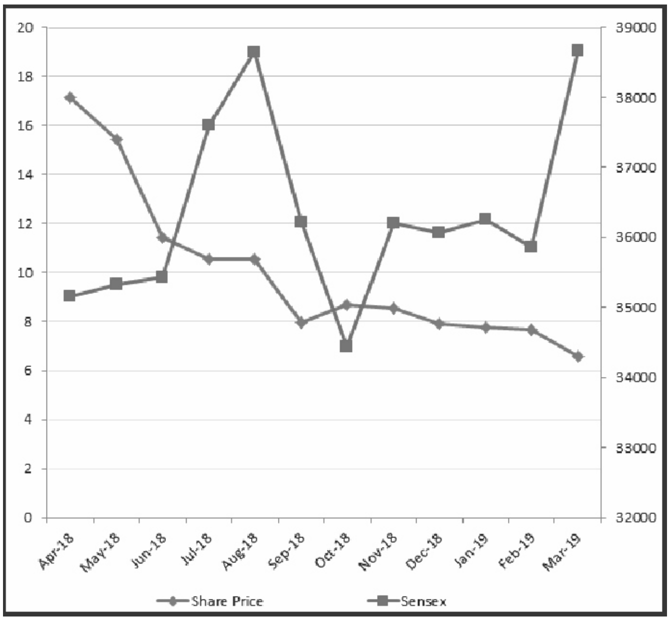
Stock Code of the Company

Electronic Mode	INE659B01021
Scrip Name:	CHD Developers Limited
Scrip Code:	526917

Market Price Data: (As obtained from BSE Website)

Month & Year	High Price	Low Price
April, 2018	19.30	15.90
May, 2018	18.00	15.05
June, 2018	15.75	10.75
July, 2018	11.95	8.90
August, 2018	12.39	9.90
September, 2018	11.30	7.96
October, 2018	10.34	7.20
November, 2018	10.18	8.20
December, 2018	9.29	7.10
January, 2019	8.45	7.30
February, 2019	8.69	6.01
March, 2019	8.25	6.40

Performance of share price with BSE



Registrar and Share Transfer Agent:
Skyline Financial Services Pvt. Ltd.
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110 020, Ph: 011-26812682

Share Transfer System:
The turnaround time for completion of transfer of shares in physical mode is generally less than 15 days if the documents are clear in all respects. Shares under demat mode are transferred by the Registrar for this purpose normally within 15 days. The power of share transfer has been delegated to the designated officials of Registrar & Transfer Agent of the Company.

The under noted official of the Company has been designated for speedy redressal of Shareholder's/Investor's requests/ queries.

Compliance Officer:

Mr. Ravinder Singh Kataria (Company Secretary cum Compliance Officer)

Distribution of Company's shareholding as on 31st March, 2019

Range (No. of shares)	Shareholders		Face Value	
	Number	%age	(Rs.)	% age
1-5000	10477	89.09	10070724	3.92
5001-10000	621	5.28	4855830	1.89
10001-20000	316	2.69	4948344	1.92
20001-30000	80	0.68	2012594	0.78
30001-40000	59	0.50	2135752	0.83
40001-50000	42	0.36	1985072	0.77
50001-100000	80	0.68	6071462	2.36
100001 & above	85	0.72	225104794	87.53
Total	**11760**	**100**	**257184572**	**100**

Categories of Shareholding as on 31st March, 2019

S. No	Category	No. of Shares held	% of Shareholding
A	Promoters	79941448	62.17
B	Non Promoters Holding		
	a) Mutual Funds, NBFC & UTI	7250700	5.64
	b) Financial Institutions, Banks, Insurance Companies (Central/ State Govt. Institutions/ Non Govt. Institutions)	444459	0.34
	c) FIIS	–	–
C	Others		
	a) Body Corporates	9219358	7.17
	b) Indian Public-Individual Shareholders	28996551	22.55
	c) Any other (NRI/OCBs/Trusts/HUF Clearing Members)	2739770	2.13
	Total	**128592286**	**100.00**

Dematerialization of Shares and liquidity

As on 31st March, 2019, 99.57% of the Company's shares are held in electronic form. The table herein below gives the breakup of the shares in physical and demat form as at 31st March, 2019.

No. of Shares in the Physical Segment	552142	0.43%
No. of Shares in the De-mat Segment	128040144	99.57%
Total	**128592286**	**100.00%**

The shares of the Company are tradable and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL).

The International Security Identification Number (ISIN) allotted to the Company's Equity Shares is INE659B01021. The Company's shares are actively traded on BSE i.e. Bombay Stock Exchange.

Outstanding instruments
The Company has not issued any GDRs/ADRs/ or Warrants convertible instrument during the year

Address for Correspondence:
CHD Developers Limited
201, Radha Chambers, Plot No. 19-20,
G Block Community Centre,
Vikaspuri New Delhi 110018
Ph.: 011-28549230
CIN-L74899DL1990PLC041188

11. **Whistle Blower policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be reported to the Vigilance & Ethics Officer which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

12. **Compliance Certificate from the Auditors**

A Certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this report.

By order of the Board of Directors

For CHD Developers Limited

Sd/-

Place: New Delhi **Gaurav Mittal**

Date: 15th January, 2020 **(Managing Director)**

ANNEXURE "A-I"

Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Gaurav Mittal, Managing Director of the Company of CHD Developers Limited hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2019.

By order of the Board of Directors
For CHD Developers Limited

Sd/-

Place: New Delhi **Gaurav Mittal**
Date: 15th January, 2020 (Managing Director)

"ANNEXURE 'F'

Extracts of Annual Return

"Form No. MGT-9"

"As on the financial year ended on 31st March, 2019"

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

S. No.	Particulars	Details
1	**REGISTRATION AND OTHER DETAILS**	
	CIN	L74899DL1990PLC041188
	Registration Date	17th August, 1990
	Name of the Company	CHD Developers Limited
	Category / Sub-category of the Company	Public Limited Company
	Registered Office and contact details	201, Radha Chambers, Plot No. 19-20, G Block Community Centre, Vikaspuri New Delhi 110018 Tel No. +91 11 28549230
	Whether Listed Company	Yes
	Name, address and contact details of Registrar & Transfer Agent, if any	M/ s Skyline Financial Services Private Limited R.O. D-153A, 1st Floor, Okhla Indus trial Area, Phase-I, New Delhi – 110020 Tel. No. +91 11 26812682-83 Fax No. +91 11 26812682
2	PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY	
	(All the business activities contributing 10% or more of the total turnover of the Company, shall be stated)	
	Name and description of main products or services	Real Estate
	NIC Code of the product or service	68
	% to total turnover of the Company	100
3	PARTICLUARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES	
	As per annexure 'E-1'	
4	SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS % OF TOTAL EQUITY)	
	As per Annexure 'E-2'	
5	INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT	
	As per Annexure 'E-3'	
6	REMUNERATION OF DIRECTOR AND KEY MANAGERIAL PERSONNEL	
	As per Annexure 'E-4'	
7	PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES	
	As per Annexure 'E-5'	

Annexure E-I

S. No.	Name & address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	CHD Infra Projects Private Limited	U70109DL2010PTC199293	Subsidiary	100	2 (87)(ii)
2	Empire Realtech Private Limited	U70200DL2008PTC182645	Subsidiary	100	2 (87)(ii)
3	International Infratech Private Limited	U45203DL2007PTC159744	Subsidiary	100	2 (87)(ii)
4	CHD Facility Management Private Limited	U74140DL2007PTC169622	Subsidiary	100	2 (87)(ii)
5	CHD Hospitality Private Limited	U93000DL2011PTC218557	Subsidiary	100	2 (87)(ii)
6	Golden Infracon Private Limited	U15532DL2006PTC149331	Subsidiary	100	2 (87)(ii)
7	Delight Spirits Private Limited	U15209DL2013PTC249415	Subsidiary	100	2 (87)(ii)
8	CHD Blueberry Realtech Private Limited	U70109DL2010PTC199295	Subsidiary	100	2 (87)(ii)
9	CHD Elite Realtech Private Limited	U70109DL2010PLC199294	Subsidiary	100	2 (87)(ii)

Annexure E-2

I		No. of shares held at the begining of the year				No. of shares held at the end of the year				% change during
	Category of Shareholder	Total number of shares	Number of shares held in dematerialized from	Physical	% of total hsares	Total number of shares	Number of shares held in demateri-alizeed from	Physical	% of Total shares	the year
					As a percentage of (A+B+C)				As a percentage of (A+B+C)	
(A)	Shareholding of Promoters									
1	Indian									
(a)	Individuals/ Hindu Undivided Family	63891200	63891200	0	49.69	63956333	63956333	0	49.74	0.05
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	
(c)	Bodies Corporate	15985115	15985115	0	12.43	15985115	15985115	0	12.43	-
(d)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	
(e)	Any Others(Specify)	0	0	0	0	0	0	0	0	
	Sub Total(A)(1)	79876315	79876315	0	62.12	79941448	79941448	0	62.17	0.05
2	Foreign									
a	"Individuals (Non-Residents Individuals/"Foreign Individuals)"	0	0	0	0	0	0	0	0	
b	Bodies Corporate	0	0	0	0	0	0	0	0	
c	Institutions	0	0	0	0	0	0	0	0	
d	Any Others(Specify)	0	0	0	0	0	0	0	0	
	Sub Total(A)(2)	0	0	0	0	0	0	0	0	
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	79876315	79876315	0	62.12	79941448	79941448	0	62.17	0.05
(B)	Public shareholding									
1	Institutions									
(a)	Mutual Funds/ UTI	46500	0	46500	0.04	0	0	0	0	(0.04)
(b)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	
(c)	Central Government/ State Government(s)	0	0	0	0	444459	444459	0	0.35	0.35
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	
(e)	Insurance Companies	0	0	0	0	0	0	0	0	
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	
(h)	Any Other (specify)	0	0	0	0	0	0	0	0	
	Sub-Total (B)(1)	46500	0	46500	0.04	444459	444459	0	0.35	0.31
B 2	Non-institutions									
(a)	Bodies Corporate	17406974	10018967	7388007	13.54	9219358	9111351	108007	7.17	(6.37)
(b)	Individuals									
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	14095402	13529514	565888	10.96	14033460	13727935	305525	10.91	(0.05)
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	14148147	6287647	7860500	11.00	14963091	14852591	110500	11.64	0.63
(c)	NRI	725645	688145	37500	0.56	836745	819245	17500	0.65	0.09
(c-i)	Public Trust / NBFC	30200	30200	0	0.02	7250900	7250900	0	5.64	5.62
(c-ii)	Hindu Undivided Family	2040172	2040144	28	1.59	1815449	1815421	28	1.41	(0.17)
(c-iii)	Clearing House / Clearing member	222931	222931	0	0.17	87376	87376	0	0.07	(0.11)
	Sub-Total (B)(2)	48669471	32817548	15851923	37.85	48206379	47664819	541560	37.49	(0.36)
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	48715971	32817548	15898423	37.88	48650838	48109278	541560	37.83	(0.05)
	TOTAL (A)+(B)	128592286	112693863	15898423	100.00	128592286	128050726	541560	100.00	-
(C)	Shares held by Custodians and against which Depository Receipts have been issued									
1	Promoter and Promoter Group	0	0	0	0	0	0	0	0	
2	Public	0	0	0	0	0	0	0	0	
	Sub-Total (C)	0	0	0	0	0	0	0		
	GRAND TOTAL (A)+(B)+(C)	128592286	112693863	15898423	100	128592286	128050726	541560	100	-

II. SHAREHOLDING OF PROMOTER/ PROMOTER'S GROUP

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in the sharehol-ding during the year
		Number of shares	% of Total shares of the Company	% of shares pledged or encumbered to total shares of the company	Number of shares	% of Total shares of the Company	% of shares pledged or encumbered to total shares of the company	
1	R. K. Mittal HUF	4630500	3.60	0.00	4630500	3.60	0.00	-
2	Radha Mittal	5739950	4.46	0.00	5739950	4.46	0.00	-
3	Anchal Pahwa	6060000	4.71	0.00	6125133	4.76	0.00	0.05
4	Gaurav Mittal	12377200	9.63	0.00	12377200	9.63	0.00	-
5	Ruchie Mittal	13500000	10.50	0.00	13500000	10.50	0.00	-
6	Rajinder Kumar Mittal	21583550	16.78	8.80	21583550	16.78	6.22	-
7	Capital Institute of Competition Training Private Limited	15985115	12.43	0.00	15985115	12.43	0.00	-
TOTAL		**79876315**	**62.12**	**8.80**	**79941448**	**62.17**	**6.22**	**0.05**

III. CHANGE IN PROMOTER'S AND PROMOTER'S GROUP SHAREHOLDING (PLEASE SPECIFY IF THERE IS NO CHANGE)

S. No.	Particulars	Shareholding at the beginning of the year		Particulars of change in shareholding during the year				Cumulative shareholding during the year
		No. of Shares	% of total shares	Date of Increase or Decrease	Reason of increase or decrease	No. of shares purchase / sold	No. of Shares	% of total shares
1	ANCHAL PAHWA	6060000	4.71	15/06/2018	Purchase	33583	6093583	4.74
				22/06/2018	Purchase	31550	6125133	4.76
				09/11/2018	Sale	-6060000	65133	0.05
				30/11/2018	Purchase	6060000	6125133	4.76

IV. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF ADR/GDR)

S. No.	Particulars	Shareholding at the beginning of the year		Particulars of change in shareholding during the year			Cumulative shareholding during the year	
		No. of Shares	% of total shares	Date of Increase or Decrease	Reason of increase or decrease	No. of shares purchase / sold	No. of Shares	% of total shares
1	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	-	-	07/12/2018	Purchase	444459	444459	0.35
2	T K PROFESSIONALS PVT LTD	4164921	3.24	-	-	-	4164921	3.24
3	BHASKAR INFRASTRUCTURE PRIVATE LIMITED	700000	0.54	-	-	-	700000	0.54
4	BULLION ENGINEERING PRIVATE LTD.	450000	0.35	-	-	-	450000	0.35
5	BENGAL FINANCE & INVESTMENT PVT	7250000	5.64	-	-	-	7250000	5.64
6	FRR SHARES AND SECURITIES LIMITED	506811	0.39	06/04/2018	Sale	-50000	456811	0.36
				20/04/2018	Purchase	10	456821	0.36
				27/04/2018	Sale	-229821	227000	0.18
				25/05/2018	Sale	-90654	136346	0.11
				10/08/2018	Purchase	10000	146346	0.11
				17/08/2018	Sale	-10000	136346	0.11
				21/09/2018	Purchase	25000	161346	0.13
				28/09/2018	Sale	-28417	132929	0.10
				12/10/2018	Purchase	11033	143962	0.11
				19/10/2018	Sale	-11033	132929	0.10
				09/11/2018	Sale	-2287	130642	0.10
				30/11/2018	Purchase	105787	236429	0.18
				28/12/2018	Purchase	346	236775	0.18
				31/12/2018	Sale	-346	236429	0.18
				04/01/2019	Sale	-103500	132929	0.10
				18/01/2019	Purchase	500	133429	0.10
				08/02/2019	Sale	-500	132929	0.10
				15/03/2019	Sale	-1731	131198	0.10
7	ASHISH RAMESHCHANDRA KACHOLIA	7250000	5.64	-	-	-	7250000	5.64
8	VANDANA BENGANI	-	-	11/05/2018	Purchase	527450	527450	0.41
			-	14/09/2018	Purchase	1550	529000	0.41
9	SANJEEV AGARWAL	501993	0.39	23/11/2018	Sale	-105000	396993	0.31
				08/03/2019	Sale	-395360	1633	0.00
10	Raunak Singhvi	470331	0.37	-	-	-	470331	0.37
11	MALVIKA PODDAR	500000	0.39	-	-	-	500000	0.39
12	KUSHAL JAYESH KHANDWALA	520475	0.40	08/06/2018	Sale	-29600	490875	0.38

V. SHAREHOLDING PATTERN OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

		Shareholding at the beginning of the year		Particulars of change in shareholding during the year			Cumulative shareholding during the year	
S. No.	Particulars	No. of Shares	% of total shares	Date of Increase or Decrease	No. of Shares	Reason of increase or decrease	No. of Shares	% of total shares
1	Rajinder Kumar Mittal	21583550	19.00	-		-	21583550	16.78
2	Gaurav Mittal	12377200	10.90	-		-	12377200	9.63
3	Pran Nath	2000	0.00	-		-	2000	0.00
4	Sunil Kumar Sachdeva	10000	0.002	-		-	10000	0.010
5	Shailly Goel	0	0.00	-		-	0	0.00
6	Simta Garg	0	0.00				0	0.00
7	Aman Agarwal	0	0.00				0	0.00
8	Naresh Kumar Sharma	8711	0.01	-		-	8711	0.01
9	Sachin Kumar	2	0.00	-		-	2	0.00

Annexure - E3

V. INDEBTNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT

S. No.	Particulars	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtednes
1	**Indebtedness at the beginning of the year**				
i.	Principal Amount	17,475.64	-	3,275.55	20,751.19
ii.	Interest due but not paid	27.91	-		27.91
iii.	Interest accrued but not due	-	-	129.09	129.09
	Total (i+ii+iii)	**17,503.56**	**-**	**3,404.64**	**20,908.20**
2	**Change in Indebtedness during the financial year**				
i	Addition	5,542.63		228.52	5,771.15
ii	Reduction	-	-		-
iii	**Net Change**	5,542.63		228.52	5,771.15
				-	
3	**Indebtedness at the end of the financial year**				
i	Principal Amount	23,046.19	-	3,509.91	26,556.10
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	-	-	123.25	123.25
	Total (i+ii+iii)	**23,046.19**	**-**	**3,633.16**	**26,679.35**

Annexure - E4

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S.	Name of the person / Designation	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	Value of perquisites under section 17(2) of the Income Tax Act, 1961	Profit in liue of Salary under section 17(3) of the income tax Act, 1961	Stock Option	Sweat Equity	Commission (As % of profit or others, specify)	Others	Ceiling
1	Gaurav Mittal (Managing Director)	5040000	0	0	0	0	0	0	As per Schedule V
2	Rajinder Kumar Mittal (Whole Time Director)	9000000	0	0	0	0	0	0	As per Schedule V
	Total	**14040000**	**0**	**0**	**0**	**0**	**0**	**0**	
4	Naresh Kumar Sharma (Chief Financial Officer)	3600000	0	0	0	0	0	0	NA
5	Sachin Kumar (Company Secretary)	1080000	0	0	0	0	0	0	NA
	Total	**4680000**		**0**	**0**	**0**	**0**	**0**	

REMUNERATION OF OTHER DIRECTORS

S. No.	Name of Director/ Category	Fee for attending Board Committee meetings	Commissions	Others, please specify	Total
1	Mr. Pran Nath / Independent Director	0	0	0	0
2	Mr. Sunil Kumar Sachdeva / Independent Director	0	0	0	0
3	Mrs. Shailly Goel/ Independent Director	0	0	0	0
4	Mrs. Simta Garg/ Independent Director	0	0	0	0
6	Mr. Aman Agarwal / Independent Director	0	0	0	0
	Total	**0**	**0**	**0**	**0**

Annexure-E5

VII. PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / compounding fee. imposed	Authority (RD/NCLT/Court	Appeal made if any
A. Company Penalty Punishment Compounding					
				NIL	
B. Directors Penalty Punishment Compounding					
C. Other officers in default Penalty Punishment Compounding					

ANNEXURE "G"

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 is given below:

S. No.	Name of Director / KMP	Gross Remuneration for the year 2018-19 (Rs. In Lacs)	% increase / decrease in the remuneration in the year 2018-19	Ratio of Remuneration of each the median remuneration of employees
1.	Mr. Rajinder Kumar Mittal / Whole Time Director & Chairman	90.00	Nil	15.41
2.	Mr. Gaurav Mittal / Managing Director	50.40	Nil	8.63
3.	Mr. Naresh Kumar Sharma Chief Financial Officer	36.00	Nil	6.16
4.	Mr. Sachin Kumar Company Secretary	10.80	Nil	1.85

i. The median remuneration of employees of the Company during the financial year was Rs. 5.84 Lacs.

ii. In the financial year there was an increase of -31.05%in the median remuneration of employees.

iii. There were 118 permanent employees on the rolls of the Company as on 31st March, 2019.

iv. During the Financial year 2018-19 under review there was no increase made in the salaries of the employees other than managerial personnel, and there was no increase in managerial remuneration (excluding CS and CFO) for the financial year 2018-19

*No increase was made in Salaries of CS & CFO during financial year 2018-19.

v. There is no variable component in the remuneration availed by the directors.

vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.

DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. During the year under review following were the top ten employees in terms of remuneration drawn.

Sr. No.	Name / Designation	Gross Remuneration (Amount in Rs.)	Nature of Employment	Age/ Qualification	Experience (years)	Date of joining	Last employment held	% of equity share holding
1.	Mr. Sharad Kumar Arora- Sr. VP Projects	44.20 Lacs	Permanent	56 Years/ B.E	31 Years	27-Nov-2017	Ramson's Ltd	NIL
2.	Mr. Vikesh Kumar Agarwal- AVP-Finance	38.88 Lacs	Permanent	40 Years/ Chartered Accountant	17 Years	21-Oct-2014	Sare Homes Project Services Pvt Ltd	NIL
3.	Mr. Mohd. Muteeb Quraishi / VP Sales	38.00	Permanent	40 Years / MBA Marketing / HR	17 Years	15-Feb-2019	Raheja Developers Limited	NIL
4.	Mr. Anil Rawal - General Manager - Liaison	36.00 Lacs	Permanent	44 Years/ M.Com	19 Years	22-Feb-2010	M3M India Ltd	NIL
5.	Mrs. Adarsh Agarwal - AGM – PR	36.00 Lacs	Permanent	48 Years/ M.A	11 Years	01-Oct-2015	D.P.S	NIL
6.	Mr. Sachin Kumar / AVP-CRM	36.00	Permanent	40 Years / Chartered Accountant	15 Years	24-Jan-2019	Sare Homes Project Services Pvt. Ltd.	NIL
7.	Mr. Vikram Singh / Head Business Development	36.00	Permanent	37 Years / MBA	15 Years	1-Feb-2019	Neev Buildtech Pvt. Ltd.	NIL
8.	Mr. Dinesh Agarwal - AGM – PR	30.75 Lacs	Permanent	50 Years/ B.E	29 Years	01-Jan-2017	Business	NIL
9.	Mr. Neeraj Kulshresthaa /VP-CRM	29.81Lacs	Permanent	48 Years / Post Graduation	24 Years	24-Aug-2015	Amarpali	NIL
10.	Mr. Gopaal K Pandey / GM Marketing	25.00 Lacs	Permanent	40 Years / BA Hons.	18 Years	25-Sep-2017	Global ACT	NIL

B. No employee was employed throughout the financial year, who was in receipt of or was entitled to receive remuneration aggregating to Rs. 1,02,00,000/- (Rupees One Crore Two Lacs only) or more per annum.

Sr. No.	Name / Designation	Gross Remuneration (Amount in Rs.)	Nature of Employment	Age/ Qualification	Experience (years)	Date of joining	Last employment held	% of equity share holding
NIL								

C. Employed for a part of the financial year ended on March 31, 2019, and was in receipt of or was entitled to receive remuneration aggregating to Rs. 8,50,000/- (Rupees Eight Lacs Fifty thousand only) or more per month are as follows:

Sr. No.	Name / Designation	Gross Remuneration (Amount in Rs.)	Nature of Employment	Age/ Qualification	Experience (years)	Date of joining	Last employment held	% of equity share holding
1.	Mr. Rohit Malik / President - Projects	10.00 Lacs Per Month	Permanent	50 Years / MBA, BE	26 Years	24-Jan-2019	Primespace Developers	

- All of the aforementioned employees are employed on permanent basis on rolls of the Company.
- None of the aforementioned employee is a relative of any director or manager of the Company.

ANNEXURE "H"

DISCLOSURE UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF COMPANIES (ACCOUNTS) RULES, 2014

1. CONSERVATION OF ENERGY

A. Energy conservation measures taken:

The Company continuously endeavors to economize the use of energy and fuel and the Company has taken steps to install energy efficient equipments.

B. Steps taken by the Company for utilization alternate source of energy:

The Company continuously strive to minimize energy consumption by using alternative source of energy, wherever possible.

C. Capital investment on energy conservation equipments:

No significant capitalinvestment is made on energy consumption equipments which can be quantified.

D. Impact of measures at (a) and (b) above for reduction of energy consumption and consequently impact on the cost of production of goods:

Sincere efforts to conserve energy are a continuous exercise the impact thereof has not been quantified.

2. TECHNOLOGY ABSORPTION

A. Research and Development

Though the Company always believe in research & development activities but considering the nature of business of the Company, there is no significant expenditure on research & development activities.

B. Technology Absorption: NIL

C. Technology Import: NIL

3. FOREIGN EXCHANGE

EARNING	-	NIL
OUTGO	-	NIL

COMPLIANCE CERTIFICATE

To the Members of
CHD Developers Limited

We have examined the compliance of conditions of Corporate Governance by CHD Developers Limited for the year April 1, 2018 to March 31, 2019 as required under Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to 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 given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

We state during the year April 1, 2018 to March 31, 2019, Six investor grievances were received and no investor grievance was pending against the Company as per the records maintained by the Company as on 31.3.2019.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For AMRG & Associates
Chartered Accountants
FRN: 004453N

CA. Madhu Mohan
Partner
Membership No. 082938

Place: New Delhi
Dated: 29th June, 2019

CHD
DEVELOPERS LTD.

Independent Auditor's Report

To
The Members of
CHD Developers Limited

Qualified Opinion

1. We have audited the accompanying standalone financial statements of CHD Developers Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As per SA 570 "Going Concern", there are various events or conditions that, individually or collectively may affect the entity's ability to continue as a going concern. As stated in Cash Flow Statement, there is negative operating cash flows for last three financial years amounting Rs. 4081.14 lakhs for FY 2016-17, Rs 6094.78 lakhs for FY 2017-18 and Rs 4700.39 lakhs for FY 2018-19. This indicate high net liability or net current liability position and adverse key financial ratios for the period. Further, the Company has been unable to conclude renegotiations or obtain alternate financing arrangements. In absence of any material certainty impacting the current and future cash flow projection, we are unable to comment on the Going Concern capabilities of the Company.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient und appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

5. As stated in Note No. 22, regarding revenue recognition criteria, the Company had considerably affected the construction cost and budgeted cost thereby impacting the stage of completion of various projects that are based on cost basis and corresponding impact on revenue also. Management has stated that revised estimates are as per revision in budgeted cost and are based on changed factors forming part of budgeted cost with corresponding impact on measurement of revenue for the period. Our opinion is not modified in respect of this matter.

6. We draw attention to Note no. 18 regarding trade payables amounting to Rs. 1851 Lakhs (one thousand eight hundred fifty one lakhs) that includes balances that are overdue for more than 180 days. We are not provided any working regarding the bifurcation of creditors which are outstanding for more than 180 days. Our opinion is not modified in respect of this matter.

7. We draw attention to Note no. 19, regarding statutory dues that include TDS payable (i.e. TDS deducted but not deposited) since October 2018 amounting to Rs. 241 lakhs & EDC/IDC Payable amounting to Rs. 13,561 Lakhs (Thirteen thousand five hundred sixty one lakhs). Further, the HVAT amounting to Rs. 413 Lakhs (Four hundred and thirteen lakhs) and provident fund payable Rs. 5.34 lakhs (five lakhs thirty four thousand) is also not deposited. Our opinion is not modified in respect of this matter.

8. We draw attention to Note no. 18, regarding to input tax credit that pertains to trade creditor which remain unpaid for more than 180 days. The amount could not be computed in absence of availability of sufficient information in respect of input tax credit pertaining to creditors outstanding for more than 180 days. This input tax credit shall be available to the Company at the time of payment to the underlying trade payables & liabilities. Our opinion is not modified in respect of this matter.

9. We draw attention to Note no. 14, regarding allotment of 4.5 crore share warrants which was made by the company in the last year (i.e. 17-18) that are convertible into equal number of equity shares at an issue price of Rs. 14.52 per share warrant and has also received 25% of the amount i.e. Rs. 1,634 lakhs (One thousand six hundred thirty four lakhs) which has been utilized by the company and balance amount has not yet received. Management expect to receive the same by 17th August 2019 i.e. last date of payment against share warrants. Our opinion is not modified in respect of this matter by management view.

10. We draw attention to Note no. 15, regarding public deposits taken by the company amounting to Rs. 3,510

lakhs (Rupees three thousand five hundred and ten lakhs only).Twenty percent of the amount of its deposits maturing during the following financial year has not been kept in "Deposit Repayment Reserve Account" in schedule bank. Although the company has maintained following Fixed deposits with Axis Bank, which has been physically verified by us as on date of signing.

Bank Name	F.D.R. No.	Amt. in Lakhs
Axis Bank	15102860290	150
Axis Bank	15102860291	150
Axis Bank	15102860295	145
Axis Bank	15102860296	155
Axis Bank	15102860298	25
Axis Bank	15102860297	45
	Total	***670***

Our opinion is not modified in respect this matter.

11. We draw attention to Note no. 8, 9 & 18 regarding confirmations of Bank balances, Creditors & Debtors which has not been received for balances standing in the books as at 31st March 2019. Management has represented that balances as per books is not expected to significantly differ and shall not affect financial position materially. Reconciliation/ Confirmation of balances in parties account, claim receivable, advances and current/other liabilities and consequential adjustment that may arise on reconciliation. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
During the course of our audit, it has been observed that the Company has raised milestone demand request to customers which has been opposed by some of its customer with a view that the milestone has not yet been completed and Company is demanding the payment without completion of the milestone. Management has declared that invoices has been issued in compliance with the Builder-Buyer Agreement.	Our Audit procedures includes the following substantive procedures: ● We make enquiries with management regarding the same ● Check the Management Intention ● Visit to the respective sites for the verifications of the Milestone Programme ● Photographs of the sites taken as evidence ● Obtain Management Representation cum-Declaration from the Company

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Performance Review and Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing (SAS), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that :

   a) we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, 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) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

d) the Going Concern matters described in paragraph 3 under the Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;

e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as on 31st March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 31st March 2019 as per Annexure-A expressed unmodified.

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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in Note no 35 to the standalone financial statements, has disclosed the impact of pending litigation(s) on its standalone financial position as at 31st March 2019.;

ii. except for the effects of the matter(s) described in the Basis for Qualified Opinion paragraph,} the Company, as detailed in Note no 39 of the standalone financial statements, has made provision as at 31st March 2019, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2019. Refer Note no 45 to the standalone Ind AS financial statements;

2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure-B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

3. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

Place: New Delhi
Date: 29.06.2019

FOR AMRG & Associates
Chartered Accountants
FRN: 004453N

CA Madhu Mohan
(Partner)
MRN: 082938

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of CHD Developers Limited of even date)

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 with reference to standalone financial statements of CHD Developers Limited ("the Company") as of 31st March, 2019 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 Board of Directors of the Company 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. 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, 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 internal financial controls system over financial reporting of the Company.

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

ATES 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) pertains 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, to the best of our information and according to the explanations given to us, 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, 2019, 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.

Place: New Delhi
Date: 29.06.2019

FOR AMRG & Associates
Chartered Accountants
FRN: 004453N

CA Madhu Mohan
(Partner)
MRN: 082938

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'report on other Legal and Regulatory requirements' section of our report to the Members of CHD Developers Limited of even date)

i. In respect of the Company's fixed assets:

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

(b) The Company has no program of verification to cover all the items of fixed assets in a phased manner & no such report is provided to us.

(c) According to the information and explanations given to us, the record examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

ii. The company has conducted physical verification of inventory at reasonable intervals during the year, except for inventory represented by development rights but no such physical verification report is provided to us.

iii. The company has not granted any loan, secured or unsecured to body corporate, firms, limited liability partnerships (LLPs) or other parties covered in register maintained under section 189 of the Companies Act, 2013 ('the Act')

iv. In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under provisions of Sections 185 and 186 of the Companies Act 2013 ('the Act'). Accordingly, the provisions of clause 3(iv) of the order are not applicable.

v. In our opinion, and according to the information and explanation given to us, the company has not complied with the provisions of Section 73 to 76 and the rules framed under companies (Acceptance of Deposits) Rules, 2014 to the extent notified, since no Deposit Repayment reserve had been maintained by the company with regard to the deposits accepted from the public.

vi. We have not reviewed the books of accounts maintained by the company pursuant to the rules maintained by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 related to construction activities since the same has not been provided to us.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities except Provident fund for the month of March'19 and Tax Deposited at Source (TDS) from October'18 to March'19. The details of the same are as follows:

S No.	Nature of Dues	Amount (In Lakhs)	Period to which the amount relates
1.	Providend Fund	5.34 lakhs	March, 2019
2.	Tax Deposited at Source (TDS)	241 lakhs	October, 2018 to March, 2019

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income Tax, Goods & Services Tax, Excise Duty and which have not been deposited as at 31st March, 2019 on account of dispute are given below:

Name of the	Nature of Dues Statute	Amount(In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax & Interest thereon	2704.17	FY 2012-13	CIT Appeal

viii. In our opinion and according to information and explanations provided by the management, the company has not defaulted in the repayment of loans or borrowings to financial institutions, banks or governments or dues to debenture holders during the year.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration 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 and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards. Refer Note No. 33 for the same.

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

Place: New Delhi
Date: 29.06.2019

FOR AMRG & Associates
Chartered Accountants
FRN: 004453N

CA Madhu Mohan
(Partner)
MRN: 082938

Standalone Balance Sheet

As at MARCH 31, 2019

(₹ in lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	1,139.74	1,192.02
b) Other intangible assets	3	30.70	60.77
c) Intangible asset under development		-	-
d) Financial assets			
i) Investments in subsidiaries	4	5,364.34	5,364.34
ii) Other Financial Assets	5	367.66	85.95
e) Deferred tax assets (net)	6	39.52	93.43
Total Non-Current Assets		**6,941.96**	**6,796.52**
Current assets			
a) Inventories	7	29,119.72	28,041.32
b) Financial assets			
i) Trade receivables	8	156.99	134.65
ii) Cash and cash equivalents	9	816.43	936.79
ii) Other Bank Balances	10	560.52	1,231.06
iii) Other financial Assets	11	8,267.96	9,544.33
c) Other current assets	12	21,114.06	12,526.30
Total Current Assets		**60,035.68**	**52,414.45**
Total Assets		**66,977.64**	**59,210.97**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	13	2,571.85	2,571.85
b) Other Equity	14	13,096.80	13,390.87
Total Equity		**15,668.64**	**15,962.72**
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	15	17,046.38	15,638.77
b) Employee benefit obligations	16	81.79	95.54
c) Other non Current Liabilities	17	387.01	-
Total Non-Current Liabilities		**17,515.18**	**15,734.31**
Current liabilities			
a) Financial liabilities			
i) Borrowings	15	9,509.71	5,112.43
ii) Trade payables	18		
(a) Total outstanding dues of Micro Enterprises and small enterprises		20.62	-
(b) Total outstanding dues of creditors other than Micro Enterprises and small enterprises		1,830.33	1,411.05
iii) Other financial liabilities	19	17,362.50	15,606.04
b) Employee benefit obligations	16	3.40	3.76
c) Income Tax Liabilities(Net)	21	64.22	67.36
d) Other Current Liabilities	20	5,003.03	5,313.31
Total Current Liabilities		**33,793.81**	**27,513.94**
Total Equity and Liabilities		**66,977.64**	**59,210.97**
Significant accounting policies	2		

The accompanying notes (3-47) form an integral part of the Standalone financial Statements

As per our report of even date attached

For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

CHD
DEVELOPERS LTD.

Standalone Statementof Profit & Loss

For the Year Ended March 31, 2019

(₹ in lakhs)

Particulars		Note	Year Ended March 31, 2019	Year Ended March 31, 2018
INCOME				
a)	Revenue from Operations	22	13,167.69	12,981.48
b)	Other Income	23	316.16	269.56
Total Income			**13,483.85**	**13,251.04**
EXPENSES				
a)	Cost of land, plots, development rights, constructed properties	24	10,206.05	10,051.46
b)	Employee Benefits Expense	25	763.37	754.89
c)	Finance costs	26	1,191.71	963.00
d)	Depreciation and amortization expense	27	119.26	199.27
e)	Other Expenses	28	1,056.79	1,198.58
	Total Expenses		**13,337.18**	**13,167.19**
Profit before exceptional items and tax			**146.67**	**83.85**
Exceptional items (net)			-	-
Profit before tax			**146.67**	**83.85**
Tax Expense :				
a)	Current Tax		64.22	67.36
b)	Deferred Tax Liabilities/(Assets)		52.76	(79.91)
	Total Tax Expense		**116.98**	**(12.55)**
a)	**Profit for the year**		**29.69**	**96.40**
Other comprehensive income(OCI)				
a)	**Items that will not be reclassified to profit and loss**			
	– Remeasurements gains/(losses) of the defined benefit obligation		4.15	11.78
	– Income tax on remeasurements of gains/(losses) of the defined benefit obligation		(1.15)	(3.90)
b)	**Items that will be reclassified subsequently to profit and loss**			
income Tax relating to items that will be reclassified into PROFIT & Loss			–	–
b)	**Other comprehensive income/, net of tax**	29	**3.00**	**7.88**
Total comprehensive income for the year (A+B)			**32.70**	**104.28**
Earnings per equity share of face value Rs.2 each				
Basic				
Computed on the basis of total profit for the year		31	0.03	0.08
Diluted				
Computed on the basis of total profit for the year		31	0.02	0.08

Summary of Significant accounting policies Note-1&2 attached
The accompanying notes (3-47) form an integral part of the Standalone financial Statements

As per our report of even date attached
For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

Standalone Cash Flow Statement

For the Year Ended March 31, 2019

(₹ in lakhs)

Sl.No.	Particulars	2018-19		2017-18	
A	**Cash Flow From Operating Activities:**				
	Net Profit Before Tax as per Statement of Profit & Loss		**150.82**		**95.64**
	Adjustments to reconcile profit before tax to net cash flows:				
	Previous Year Tax Adjustments	**(3.19)**		(4.96)	
	Depreciation and amortization expense	**119.26**		199.27	
	Adjustment regarding IFRS	**(323.57)**		-	
	Loss on sale/Adjustment of fixed assets			1.71	
	Imparment loss on Assets	**21.12**			
	Interest income	**(156.62)**		(208.46)	
	Interest expense	**1,041.75**		963.00	
	Working capital adjustments:				
	Increase/(Decrease) in trade payables	**439.90**		(2,036.69)	
	Increase/(Decrease) in current net employee benefit obligation	**(0.36)**		(0.83)	
	Increase/(Decrease) in non-current net employee benefit obligation	**(13.75)**		(25.39)	
	Increase/(Decrease) in financial and other liabilities	**1,833.20**		1,224.27	
	(Increase)/Decrease in trade receivables	**(22.34)**		17.60	
	(Increase)/Decrease in financial and other assets	**(6,640.85)**		(5,499.22)	
	(Increase)/Decrease in inventories	**(1,078.40)**	**(4,783.85)**	(513.64)	**(5,883.34)**
	Cash Generated from Operations		**(4,633.03)**		**(5,787.70)**
	Direct Taxes paid		**(67.36)**		**(307.08)**
	Net Cash Flow from Operating Activities		**(4,700.39)**		**(6,094.78)**
B	**Cash Flow From Investing Activities:**				
	Acquisition of property, plant and equipment, intangible assets and capital work in progress	**(58.04)**		(67.65)	
	Proceeds from property, plant and equipment, intangible assets and capital work in progress	**-**		4.00	
	Interest received	**156.62**		219.15	
	Cash Generated from Investment Activities		98.58		155.50
C	**Cash Flow From Financing Activities**				
	Proceeds from issue of equity share capital	—		300.00	
	Proceeds from issue of share warrants	—		1,633.50	
	Procceds from security premium	—		1,878.00	
	Payments of dividends	—		(113.59)	
	Payments of dividend distribution tax	—		(23.12)	
	Proceeds from long term borrowings	**1,408**		5,926.78	
	Proceeds from short term borrowings	**4,397**		(2,570.53)	
	Receipt/(Payment) of other financial assets	**(281.71)**		1.54	
	Interest paid	**(1,042)**	**4,481.45**	(966.83)	
	Cash Generated from Financing Activities		**4,481.44**		**6,065.75**
	Net Increase/(Decrease) in Cash and Cash Equivalents		(120.37)		126.47
	Cash & Cash Equivalents at the beginning of the year		936.79	810.32	
	Cash & Cash Equivalents at the close of the year (Refer Note No. 9)		**816.43**		**936.79**
	Particulars	**Note**	**As at 31.03.2019**		**As at 31.03.2018**
	Cash and cheques on hand		24.45		59.42
	Balances with scheduled banks:				
	– on current accounts		242.83		568.44
	– Deposit with original maturity of less than three months		549.15		308.93
			816.43		**936.79**

Summary of Significant accounting policies Note-1&2 attached

The accompanying notes (3-47) form an integral part of the Standalone financial Statements 0.00

Note

A) The above cash flow statement has been prepared under the "Indirect Method" as stated in Accounting Standard-3.

B) other bank balance include Rs. 3.19 Lacs (P.Y. 5.80 Lacs) of unclaimed dividend not available for use with the Company.

As per our report of even date attached

For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

CHD
DEVELOPERS LTD.

Standalone Statement of Changes in Equity

For the Year Ended March 31, 2019

(Amounts in Lacs, unless otherwise stated)

A. Equity Share Capital **(₹ in lakhs)**

Particulars	Balance as on 01 April 2017	Issued during the Year	Balance as at 31 March 2018	Issued during the Year*	Balance as at 31 March 2019
Equity shares of INR 2 each issued, subscribed and fully paid	2271.85	300.00	2,571.85	—	2,571.85
No. of Shares	113,592,286	15,000,000	128,592,286	—	128,592,286

*Refer Note No: 13

B. Other Equity

For the year ended 31 March 2019 **(₹ in lakhs)**

Particulars	Reserve and surplus					Other	Total
	General reserves	Capital reserve	Securities Premium warrants	Money received against share	Retained earnings	comprehensive income*	
Balance as at 01 April 2017	**0.50**	**749.27**	**1,655.63**	**—**	**7,380.56**	**– 5.93**	**9,780.02**
Addition during the year	–	–	1,878.00	1,633.50	91.44	—	3,602.94
Other comprehensive income	–	–	–	—	—	7.89	7.89
Balance as at 31 March 2018	**0.50**	**749.27**	**3,533.63**	**1,633.50**	**7,472.00**	**1.96**	**13,390.85**
Balance as at 01 April 2018	0.50	749.27	3,533.63	1,633.50	7,472.00	1.96	13,390.85
Addition during the year	—	—	—	—	29.71	—	29.71
Remeasurement of DBO	—	—	—	—	—	3.00	3.00
Less: IND AS-115 Adjustment					(323.57)		(323.57)
Less: P.Y. Tax Adjustment					(3.19)		(3.19)
Balance as at 31 March 2019	0.50	749.27	3,533.63	1,633.50	7,174.95	4.96	13,096.80

The accompanying notes (3-47) form an integral part of the Standalone financial Statements

* Other comprehensive income represents remeasurement losses of defined benefit plans.
Summary of significant accounting policies 2.2

Nature and purpose of reserves

Capital reserve
Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

Securities Premium
Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

General reserve
The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

As per our report of even date attached
For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

Notes to standalone financial statements for the year ended March 31, 2019

I. Corporate Information

CHD Developers Limited ('the Company') is a listed entity was incorporated on August 17, 1990. CHD Developers Limited is a leading real estate developer engaged in the business of township and residential/commercial complexes. The operation of the company spans all aspects of real estate development, from identification and acquisition of land, to planning, execution, construction and marketing projects. The Company is domiciled in India and its registered office is situated at 202-207, Radha Chambers, Plot No. 19-20, G Block Community Centre, Vikaspuri New Delhi West 110018.

II. Significant Accounting policies

A. Basis of preparation& presentation

(1) Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements for the year ended March 31, 2019 were authorized and approved for issue by the Board of Directors on June 29, 2019.

(2) Basis of preparation

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(3) Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs (upto two decimals), except as stated otherwise.

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(4) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sell or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle

(1) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for financial assets and liabilities.

Notes to standalone financial statements for the year ended March 31, 2019

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

– **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

– **Level 2:** inputs other than quoted prices included in 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 for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the notes to the Accounts of Financial Statements.

B. Summary of Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

a) Property, plant and equipment

● Initial recognition and measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

The cost of a self-constructed property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

● Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Asset Category	Useful Life As per company (In Years)
Tangible Asset	
Buildings	60
Plant and Machinery	15
Computers and data processing units	
Desktops, laptops and other devices	3
Furniture and Fixtures	10
Office Equipment	5
Vehicles	
Motor Cycles, scooters and other mopeds	10
Motor Cars	8
Intangible Asset	
Servers and Networks	6

Depreciation on additions to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

● Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

- **De-recognition**

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

- **Capital work-in-progress and intangible assets under development**

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/intangible assets under development and are carried at cost. Cost includes land, related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

b) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Assets held under operating leases are not recognised in the Company's Balance Sheet.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

Company as a lessor

Company as a lessor Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

c) Revenue & Cost recognition

- **Revenue Recognition**

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of

Notes to standalone financial statements for the year ended March 31, 2019

obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 01, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to contracts that are not completed at the date of initial application.

The cumulative effect of initially applying Ind AS 115 is recognized at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

- **Cost of revenue**

Cost of real estate projects

Cost of constructed properties includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

Cost of land and plots

Cost of land and plots includes land acquisition cost, estimated internal development costs and external development charges, which is charged to the statement of profit and loss based on the percentage of land/ plotted area in respect of which revenue is recognized as explained in accounting policy for revenue from 'Sale of land and plots', in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

Cost of development rights

Cost of development rights includes proportionate development rights cost, borrowing costs and other related cost.

Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset.

d) Unbilled receivables

Unbilled receivables include:

Revenue recognized based on percentage of completion method, as per policy on revenue, over and above the amount due as per the payment plans/ invoices agreed with the customers.

e) Borrowing Cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition or construction of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

f) Income Tax

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit

Notes to standalone financial statements for the year ended March 31, 2019

entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax liabilities is reported in a company's balance sheet and represents the net difference between the taxes that are paid in the current accounting period and the taxes that will be paid in the next accounting periods. The liability occurs when the accounting income is greater than the taxable income. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

g) Inventories

- Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/approximate average cost/as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreement to purchase) acquisition cost, borrowing cost, estimated internal development costs and external development charges, and other Govt. dues.
- Construction work-in-progress of constructed properties includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/construction materials and is valued at lower of cost/ estimated cost and net realisable value.
- Development rights represent amount paid under agreement to purchase land/development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/development rights in identified land and constructed properties, the acquisition of which is either completed or is at an advanced stage.
- Construction/development material is valued at lower of cost and net realisable value.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

h) Impairment of non -financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its 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 the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate assets belongs.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

Impairment losses, if any, are recognised in the statement of profit and loss.

i) Provisions and Contingent Liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

j) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Trade receivables under Ind AS 18.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

k) Retirement and other employee benefits

Provident Fund

The Company makes contribution to statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee. Contribution made towards superannuation fund is charged to statement of profit and loss on accrual basis.

l) Financial instruments

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

A. Financial assets

Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Notes to standalone financial statements for the year ended March 31, 2019

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial instruments at amortised cost
- Financial instruments at fair value through other comprehensive income (FVTOCI)
- Financial instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments at amortised cost

A 'Financial instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial instrument at FVTOCI

A 'Financial instrument' is classified as at 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 SPPI.
- Financial 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 P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial instrument at 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 allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').The Company has not designated any debt instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risk and rewards of the ownership of the financial asset, in such cases, the financial asset is derecognised. When the Company has not transferred substantially all the risk and rewards of the ownership of the financial asset, the financial asset is not derecognised.

When the Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial assets. Where the Company retains control of the financial assets, the assets continue to be recognised to the extent of continuing involvement in the financial assets.

Impairment of financial assets

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

B. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings 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 fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 15.

Derecognition

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.

Reclassification of financial assets

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

Notes to standalone financial statements for the year ended March 31, 2019

recognised gains, losses (including impairment gains or losses) or interest.

m) Cash and cash equivalents

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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n) Cash Flow Statement

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7. The amendments are applicable to the Company from 1st April 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company by the weighted average number of equity shares outstanding during the year.

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

p) Standards issued but not effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from 01st April, 2019:

Ind AS 116 – Leases

Ind AS 116 will replace the existing leases standard, Ind-As 17 Leases. Ind-AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single accounting model for lessees. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. CHD Developers Limited does not expect this amendment to have any impact on its financial statements

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognised the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. CHD Developers Limited does not expect this amendment to have any impact on its financial statements.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. CHD Developers Limited does not expect this amendment to have any impact on its financial statements

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. CHD Developers Limited does not expect this amendment to have any impact on its financial statements

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. CHD Developers Limited does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. CHD Developers Limited will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

III. SIGNIFICANT MANAGEMENT JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as under:

- **Significant management judgements Recognition of deferred tax assets –** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- **Evaluation of indicators for impairment of assets –** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Classification of leases –** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- **Impairment of financial assets –** At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.
- **Provisions –** At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- **Revenue and inventories–**The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments

and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

- **Useful lives of depreciable/ amortizable assets –** Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

- **Valuation of investment property –** Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date

- **Defined benefit obligation (DBO) –** Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

- **Fair value measurements –** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Notes to standalone financial statements for the year ended March 31, 2019

3. PROPERTY, PLANT AND EQUIPMENT

The changes in the carrying value of Property, Plant and Equipment for the year ended 31 March 2019 are as follows:

Particulars	Gross Block As at	Addition	Sale	Adjustment	As at	Depreciation As at	For the	Sale	Adjustment	As at	Net Block As at	As at
Tangible Assets												
Own Assets :												
Building	950.03	-	-	-	950.03	97.96	16.85	-	-	114.81	835.22	852.06
Computers	75.12	1.45	-	75.12	1.45	75.12	0.16	-	75.12	0.16	1.30	0.00
Furniture & Fixture	361.86	1.54	-	108.45	254.95	258.53	28.63	-	108.39	178.77	76.18	103.33
Plant & Machinery	182.24	-	-	35.44	146.80	100.47	12.71	-	35.44	77.74	69.06	81.77
Office Equipment & Machinery	108.20	18.19	-	87.52	38.86	94.76	3.74	-	87.52	10.98	27.88	13.44
Vehicles	441.42	36.17	-	140.21	337.39	300.02	47.47	-	140.20	207.29	130.10	141.41
Total (A)	**2,118.87**	**57.35**	**-**	**446.74**	**1,729.49**	**926.86**	**109.56**	**-**	**446.67**	**589.74**	**1,139.74**	**1,192.01**
Intangible Assets												
Computer Software	423.77	0.68	-	380.02	44.43	363.00	9.70	-	358.97	13.73	30.70	60.77
Total (B)	**423.77**	**0.68**	**-**	**380.02**	**44.43**	**363.00**	**9.70**	**-**	**358.97**	**13.73**	**30.70**	**60.77**
Total (A+B)	**2,542.64**	**58.04**	**-**	**826.76**	**1,773.92**	**1,289.85**	**119.26**	**-**	**805.64**	**603.48**	**1,170.44**	**1,252.78**

(i) Contractual obligations Refer note 35(b) for disclosure of contractual commitments for the acquisition of investment properties.
(ii) Capitalised borrowing cost The borrowing costs capitalised during the year ended 31 March 2019 was Nil (31 March 2018: Nil)

3. PROPERTY, PLANT AND EQUIPMENT

The changes in the carrying value of Property, Plant and Equipment for the year ended 31 March 2018 are as follows:

Particulars	Gross Block As at 01.04.2017	Addition	Sale	Adjustment	As at 31.03.2018	Depreciation As at 01.04.2017	For the Period	Sale	Adjustment	As at 31.03.2018	Net Block As at 31.03.2018	As at 31.03.2017
Tangible Assets												
Building	950.03	-	-	-	950.03	81.12	16.85	-		97.96	852.07	868.91
Computers	75.12	-	-	-	75.12	75.12	-	-		75.12	-	-
Furniture & Fixture	361.86	-	-	-	361.86	219.47	39.06	-		258.53	103.33	142.39
Plant & Machinery	182.24	-	-	-	182.24	86.50	13.97	-		100.47	81.77	95.74
Office Equipment & Machinery	105.64	2.56	-	-	108.20	88.27	6.49	-		94.76	13.44	17.37
Vehicles*	405.29	50.09	13.96	-	441.43	261.62	46.64	-	8.24	300.02	141.40	143.67
Total (A)	**2,080.18**	**52.65**	**13.96**	**-**	**2,118.87**	**812.10**	**123.00**	**-**	**8.24**	**926.86**	**1,192.02**	**1,268.08**
Intangible Assets				-								
Computer Software	380.02	43.75	-	-	423.77	286.73	76.27	-	-	363.00	60.77	93.29
				-								
Total (B)	**380.02**	**43.75**	**-**	**-**	**423.77**	**286.73**	**76.27**	**-**	**-**	**363.00**	**60.77**	**93.29**
Intangible Assets under Development	28.75	15.00	43.75	-	-	-	-	-	-	-	-	28.75
Total (C)	**28.75**	**15.00**	**43.75**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**28.75**
Total (A+B+C)	**2,488.95**	**111.40**	**57.71**	**-**	**2,542.64**	**1,098.83**	**199.27**	**-**	**8.24**	**1,289.86**	**1,252.79**	**1,390.12**

* Vehicles are taken on finance lease; monthly installments are paid as per agreed terms and conditions.
(i) Contractual obligations Refer note 35(b) for disclosure of contractual commitments for the acquisition of investment properties.
(ii) Capitalised borrowing cost The borrowing costs capitalised during the year ended 31 March 2018 was Nil (31 March 2017: Nil)

Notes to standalone financial statements for the year ended March 31, 2019

Financial Assets

4. Investment(Non Current)

(₹ in lakhs)

Particulars	Date as at 31 March, 2019		Date as aT 31 MARCH, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Investments in equity instruments - at cost				
Equity investments in subsidiary : unquoted				
In Equity Shares of wholly owned Subsidiary Companies :-*				
CHD Infra Projects Private Limited	100,000	10.00	100,000	10.00
CHD Facility Management Private Limited	50,000	5.00	50,000	5.00
Delight Spirits Private Limited	50,000	5.00	50,000	5.00
Empire Realtech Private Limited	60,000	4,300.32	60,000	4,300.32
Golden Infracon Private. Limited	50,000	5.00	50,000	5.00
International Infratech Private Limited	915,455	1,030.02	915,455	1,030.02
		-		-
In Equity Shares of Subsidiary Companies :-*		-		-
CHD Blueberry Realtech Private Limited***	40,000	4.00	40,000	4.00
CHD Elite Realtech Private Limited***	40,000	4.00	40,000	4.00
CHD Hospitality Private Limited **	10,000	1.00	10,000	1.00
Total		**5,364.34**		**5,364.34**
Aggregate amount of book value and market value of quoted investments		**-**		**-**
Aggregate book value of unquoted investments		**5,364.34**	**-**	**5,364.34**
Aggregate amount of impairment in value of investments		**-**		**-**

All the investment in equity shares of subsidiaries, associates are measured as per Ind AS 27 'Separate Financial Statements'.

All equity shares of Rs.10 each unless otherwise stated

* Including Nominee shares held by the shareholders.

** 99.71% of the Share held by CHD Infra Projects Private Limited which is wholly owned Subsidiary of CHD Developers Limited.

*** 20.00% of the Share held by CHD Infra Projects Private Limited which is wholly owned Subsidiary of CHD Developers Limited.

5) Other Financial Assets (₹ in lakhs)

Particulars	Date as at 31 March, 2019	Date as at 31 March, 2018
(Unsecured, considered good unless otherwise stated)		
Security Deposit	91.62	85.95
Doubtful	-	-
others	5.70	
Total	97.32	85.95
Less : Impairment allowance for security deposits	-	-
Total	**97.32**	**85.95**
Bank deposits (Bank deposits having maturity more than 12 months)	270.34	
Total	**367.66**	**85.95**

Notes to standalone financial statements for the year ended March 31, 2019

6) Deferred Tax Assets (Net)

Deferred Tax Assets for the Year ended 31st March, 2019 has been provided on the estimated tax computation for the year.

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred tax assets	39.52	93.43
Deferred tax assets/ (liabilities), net	**39.52**	**93.43**

(₹ in lakhs)

Movement in Deferred tax assets/ (liabilities) (net)	Balance Sheet		Statement of profit and loss	
Particulars	**As at 31 March 2019**	**As at 31 March 2018**	**As at 31 March 2019 Expense/ (Income)**	**As at 31 March 2018**
Deferred tax liabilities				
	-	-	-	
Deferred tax assets				
DTA/(DTL)arising on account of Property, Plant Equipments, Investment property Other Intangible assets- Depreciation Amortization	15.82	58.01	42.19	(44.79)
Provision for stock obsolescence	-	-	-	-
Provision for doubtful debts/ advances	-	-	-	-
Provision for retirement benefits	23.70	35.42	11.72	(31.23)
Provision for contingencies	-	-	-	-
Other timing differences	-	-	-	-
Gross deferred tax asset	**39.52**	**93.43**	**53.91**	**76.02**

Reflected in balance sheet as follows: (₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax assets	39.52	93.43
Deferred tax assets/ (liabilities), net	39.52	93.43
Transfer to Deferred tax (liabilities), net	-	-
Deferred tax assets (Net)	**39.52**	**93.43**

Notes to standalone financial statements for the year ended March 31, 2019

Reconciliation of deferred tax assets/ (liabilities) (net): (₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	**93.43**	**17.41**
Tax income /(expense) during the year recognised in profit/loss	(52.76)	79.91
Tax income /(expense) during the year recognised in OCI	(1.15)	(3.90)
Balance at the end of the year	**39.52**	**93.43**

7) Inventories

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(Valued at cost, unless otherwise stated)		
Land, Plots and Construction Work in progress	29,119.72	28,041.32
Total	**29,119.72**	**28,041.32**

Inventories are morgaged as security for borrowings, refer Note no. 15 for details.

During the year ended on 31 march, 2019, the company has inventorized borrowing cost of 3074.89 lacs(PY Rs. 1775.66 Lacs) to cost of real estate projects under development.

8) Trade Receivables

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured, considered good		
Others	156.99	134.65
Subsidiary companies	-	-
Total	**156.99**	**134.65**

Break up of trade receivables : (₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Secured, considered good		
Unsecured, considered good	156.99	134.65
Doubtful	-	-
Subsidiary companies	-	-
	156.99	134.65
Less : Impairment allowance for bad and doubtful debts	-	-
Total	156.99	134.65

CHD DEVELOPERS LTD.

Notes to standalone financial statements for the year ended March 31, 2019

9) Cash and Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash and Cash equivalents		
a) Cash in hand	24.45	59.42
Balances with banks		
b) Balance with Banks		
– in current account	242.83	568.44
– in deposits account	549.15	308.93
(with maturity for 3 months or less from the reporting date)		
Total	**816.43**	**936.79**

10) Other Bank Balances

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Earmarked bank balances		
Unclaimed dividend Bank account*	3.18	5.80
Bank deposits	557.34	1,225.26
(maturity exceeding 3 month but less than 12 months)		
Total	**560.52**	**1,231.06**

*other Bank balance include Rs. 3.19 Lacs (P.Y. 5.80 Lacs) of unclaimed dividend not available for use with the Company.
**Bank Deposit to the extent of Rs.4.87 Crores(P.Y. 4.83 Crores) is towards deposit received from public

11) Other financial assets

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured, considered good		
Carried at fair value through amortised cost		
Advance/Imprest to Employees	18.81	15.96
Loan Advances to Related Parties		
Unsecured Considered good*	8,242.41	9,522.56
Loan Advances to Others		
Unsecured Considered good*	-	-
others		
Interest receivable on deposits	6.74	5.82
Total	**8,267.96**	**9,544.33**

*See note no.33 for details transaction with related parties.
**Margin Money given against bank gurantee in respect of projects in progress, Statutory Other Paybles

Notes to standalone financial statements for the year ended March 31, 2019

12) Other Current Assets

(₹ in lakhs)

Particulars	Current	
	As at 31 March, 2019	As at 31 March, 2018
Unsecured, considered good unless otherwise stated		
Capital advances	-	-
Advances recoverable in cash or kind		
Unsecured considered good*	21,107.91	12,526.30
Considered doubtful	-	-
Prepaid Expenses	6.14	-
Total	**21,114.06**	**12,526.30**

*Includes Advances to Contractor, Suppliers, Mob. Advances and duties/taxes etc.

13) Equity Share Capital

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Authorized equity shares Capital		
177,500,000 (31 March 2018: 117,500,000) Equity Shares of Rs.2/- each	3,550.00	3,550.00
Issued, subscribed and fully paid-up shares		
128,592,286 (31 March 2018: 128,592,286) Equity Shares of Rs.2/- each fully Paid up	2,571.85	2,571.85
Equity shares at the end of the year	**2,571.85**	**2,571.85**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	No. of Shares	**No. of Shares**
Equity shares at the beginning of the year	128,592,286	113,592,286
Add: Equity share issued During the year	-	15,000,000
Equity shares at the end of the year	**128,592,286**	**128,592,286**

b. Terms/rights attached to equity shares

i) The company has only one class of equity shares having a par value of Rs.2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

ii) During the year ended 31st March, 2019 the amount per share final dividend for distribution to equity shareholder is NIL per equity share of Rs. 2 each (P.Y. final dividend : NIL per Share).

iii) 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 shareholders.

Notes to standalone financial statements for the year ended March 31, 2019

c. Details of shareholders holding more than 5% shares in the company -

Equity shares of Rs.2 each fully paid	As at 31 March, 2019	As at 31 March, 2018
	No. of Shares and % holding	No. of Shares and % holding
R.K. Mittal	21,583,550	21,583,550
	16.78%	16.78%
Gaurav Mittal	12,377,200	12,377,200
	9.63%	9.63%
Ruchie Mittal	13,500,000	13,500,000
	10.50%	10.50%
Anchal Mittal	6,060,000	6,060,000
	4.71%	4.71%
Radha Mittal	5,739,950	5,739,950
	4.46%	4.46%
Capital Institute of Competition Training Private Limited	15,985,115	15,985,115
	12.43%	12.43%
Ashish Rameshchandra Kacholia	7,250,000	7,250,000
	5.64%	5.64%
Bengal Finance Investment Pvt Ltd	7,250,000	7,250,000
	5.64%	5.64%

d) **Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date 31 March 2019 is Nil.**

e) **Shares bought back during the financial year 2014-15 to 2018-19**
Nil (during FY 2013-14 to 2017-18: Nil) equity shares of Rs. 2 each bought back pursuant to Section 68, 69 and 80 of the Companies Act,2013.

14) Other Equity

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
General Reserve		
As per Last Balance Sheet	**0.50**	**0.50**
Money received against share warrants	**1,633.50**	**1,633.50**
Capital Reserve		
As per Last Balance Sheet	**749.27**	**749.27**
Securities Premium		
As per Last Balance Sheet	**3,533.63**	**1,655.63**
Addition during the year	-	**1,878.00**
	3,533.63	**3,533.63**
Profit and Loss Account		
As per last Balance Sheet	**7,472.02**	**7,380.59**
Add: Profit for the year	29.69	96.40
Less: Transition impact of Revised IND AS-115	(323.57)	-
	7,178.15	**7,476.99**
Less: Appropriations		
Proposed Dividend on Equity shares	-	-
Dividend Distribution Tax	-	-
P.Y. Income Tax Adjustment	**(3.19)**	**(4.96)**
Net surplus in the statement of Profit and Loss Account Before OCI	**7,174.96**	**7,472.02**
As per last Balance Sheet	**1.95**	**(5.93)**
Other comprehensive income	**3.00**	**7.88**
Net surplus in the statement of Profit and Loss Account	**4.94**	**1.95**
Total Reserves and Surplus	**13,096.80**	**13,390.87**

Notes to standalone financial statements for the year ended March 31, 2019

Financial Liabilities

15) Borrowings (Non-Current)

(₹ in lakhs)

Particulars	Long Term Borrowings		Short Term Borrowings	
	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
SECURED LOANS				
A) Term Loans				
From Bank	12,822.34	6,718.77	3,533.82	385.48
From Others	1,765.42	3,087.37	1,285.00	128.56
B) Vehicle Loans	27.17	19.71	16.25	12.92
C) Bank Overdraft Current Account	2,222.85	5,624.79	1,373.35	1,498.04
UNSECURED LOAN				
A) Deposits				
— From Public	125.28	128.76	2,681.03	2,034.15
— From Shareholders	83.32	59.36	620.28	1,053.28
	17,046.38	**15,638.77**	**9,509.72**	**5,112.43**
The above amount includes				
Secured borrowings	16,837.78	15,450.65	6,208.41	2,025.00
Unsecured borrowings	208.60	188.12	3,301.31	3,087.43
Net Amount	**17,046.38**	**15,638.77**	**9,509.72**	**5,112.43**

Term Loans

Repayment terms (excluding current maturities) and security for the outstanding long term borrowings as on 31st March, 2019

From Banks

i) Facility of Rs. 3850.40 lac with interest rate @ 11.50%, balance amount is repayble in 5 equal Quarterly installments starting from April 2020. The Loan is secured by way of :
  (a) First Exclusive charge by way of equitable mortgage on land and building of Golf Avenue 106, CHD Vann CHD Resortico Project.
  (b) First charge by way of hypothecation of receivables, Current assets and movable fixed assets of Golf Avenue 106, CHD Vann CHD Resortico Project.
  (c) Personal Guarantee of two directors of the company .
  (d) Corporate Guarantee of one subsidiary companies.

ii) Facility of Rs. 1146.33 Lac with interest rate @ 12.75%, balance amount is repayble in 10 Monthly installments starting from April 2020. The Loan is secured by way of :
  (a) Equitable mortgage of land and building of M/s. International Infratech Pvt. Ltd. Situated at Sector-109, village Chauma, Gurgaon
  (b) First Exclusive charge on sold and unsold receivables of commercial project " CHD Eway Towers" and structure present and future.
  (c) Personal Guarantee of two directors of the company.
  (d) Corporate Guarantee of two subsidiary companies.

iii) Facility of Rs. 7825.60 Lac with interest rate @ 13.45%, balance amount is repayble in 18 Quarterly installments starting from April 2020. The Loan is secured by way of :
  (a) Exclusive charge on land and building spread over 39.58 12.4 acres of affordable housing project at karnal.
  (b) Exclusive charge over land of 1.4 acre and additional FSI at krishanlok Vrindavan Project.
  (c) First Exclusive charge on sold and unsold receivables of affordable project " CHD Green Park" and structure present and future.
  (d) Personal Guarantee of one director of the company.

Notes to standalone financial statements for the year ended March 31, 2019

Bank Overdrafts

i) Facility of Rs. 2222.85 Lac with interest rate @ 11.50%, balance amount is repayble in 5 equal Quarterly installments starting from April 2020. The Loan is secured by way of :

(a) First Exclusive charge by way of equitable mortgage on land and building of Golf Avenue 106, CHD Vann CHD Resortico Project.

(b) First charge by way of hypothecation of receivables, Current assets and movable fixed assets of Golf Avenue 106, CHD Vann CHD Resortico Project.

(c) Personal Guarantee of two directors of the company .

(d) Corporate Guarantee of one subsidiary companies.

From Others

i) Facility of Rs.224.82 Lac with interest rate @ 17.35%, balance amount is repayble in 7 Monthly Installment starting from April, 2020. The Loan is secured by way of :

(a) Inventory of project "Lifestyle Prime floors, Lifestyle Grand floors and silver county villas" located at CHD City, Village Uchana, Sector 45, Karnal.

(b) An exclusive charge by way of hypothecation of scheduled receivables both present and future .

(c) Personal Guarantee of two directors of the company.

ii) Facility of Rs. 1540.60 Lac with interest rate @ 17.10%, balance amount is repayble in 14 Monthly Installment starting from April 2020.The Loan is secured by way of :

(a) An exclusive charge on project land (38.32 Acre) together with all building and structures thereon, both present and future at NH-1, Village Uchana, Sector-45, Karnal

(b) An exclusive charge by way of hypothecation of scheduled receivables both present and future .

(c) Personal Guarantee of two directors of the company .

Vehicle Loan

Vehicle loan Rs 35.00 Lac with interest rate @ 7.2641 is availed for car for period of three year and secured against hypothecation of vehicle.

Vehicle loan Rs.5.00 Lac with interest rate @ 8.71 is availed for car for period of three year and secured against hypothecation of vehicle.

Vehicle loan Rs.31.85 Lac with interest rate @ 8.50 is availed for car for period of three year and secured against hypothecation of vehicle.

DEPOSITS

a) The details of Interest on deposits are as follow:

Particulars	Interest Rate	
	Public	Shareholders
Repayable after 6 month	10.50%	10.50%
Repayable after 1 year	12.00%	12.00%
Repayable after 2 year	12.25%	12.25%
Repayable after 3 year	12.50%	12.50%

b) The maturity pattern of the Deposits are as follow: (₹ in lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2021-22	Total
Shareholders Deposits	620.28	40.25	43.07	703.60
Public Deposits	2,681.03	70.75	54.53	2,806.31
Total	**3,301.31**	**111.00**	**97.60**	**3,509.91**

Notes to standalone financial statements for the year ended March 31, 2019

16) Employee benefit obligations (Non-Current)

(₹ in lakhs)

Particulars	Non- Current		Current	
	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
Provision for employee benefit				
Provision for Gratuity*	60.96	70.64	2.18	2.10
Provision for Leave Encashment*	20.82	24.90	1.21	1.66
Total	**81.79**	**95.54**	**3.40**	**3.76**

* For details on employee benefits, refer note 25

17) Other Non-Current Liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
Other Non Current Liabilities*	387.01	—
Total	**387.01**	**—**

*Includes Prepaid Rent Retention amount of IFRS impact

(18) Trade Payables

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
1) Micro, Small and Medium Enterprises*	20.62	—
2) Amount Payable to Contractor/Suppliers/Others	1,830.33	1,411.05
3) Due to Subsidaries Companies	—	—
Total	**1,850.95**	**1,411.05**

*Details of principal amount and interest overdue to Micro and Small Enterprises are as below. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As At 31st March, 2019	As At 31st March, 2018
1) Principal amount due and remaining unpaid	20.62	–
2) Interest due on above and the unpaid interest	–	–
3) Interest paid	–	–
4) Payment made beyond the appointed day during the year	–	–
5) Interest due and payable for the period of delay	–	–
6) Interest accrued and remaining unpaid	–	–
7) Amount of further interest remaining due and payable in succeeding year	–	–
Total	**20.62**	**–**

Notes to standalone financial statements for the year ended March 31, 2019

19) Other financial liabilities

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
1) Interest accrued on Term Loan and Deposits	123.25	129.09
2) Other Payable*	16,777.96	14,986.06
3) Security Deposit (Refundable)***	458.09	485.09
4) Unclaimed Dividend**	3.19	5.80
Total	**17,362.50**	**15,606.04**

Terms and conditions of above trade payables and other financial liabilities:

* Includes expenses payable, Retention payables, development charge,duties taxes IFRS impact etc.

**Not due for credit to 'Investor Education and Protection Fund'

***Includes Retention Money from Contarctor, Supplier etc..

20) Other Current Liabilities

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
1) Advance Against Project	5,003.04	5,313.31
Total	5,003.04	5,313.31

21) Income Tax Liability

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provisions for Income Tax	64.22	67.36
Total	**64.22**	**67.36**

22) Revenue from Operations

(₹ in lakhs)

Particulars	2018-19	2017-18
Sales of Commercial/Resdential Flats,Shops, Houses and Plots	13,167.69	12,981.48
Total Revenue from operations	13,167.69	12,981.48

23) Other Income

(₹ in lakhs)

Particulars	2018-19	2017-18
Other operating revenue		
Interest income	288.96	208.46
Other Revenue	27.20	61.10
Total	**316.16**	**269.56**

Notes to standalone financial statements for the year ended March 31, 2019

24) Cost of land, plots, constructed properties, development rights **(₹ in lakhs)**

Particulars	2018-19	2017-18
Construction Cost of land, plots, constructed properties, development rights	10,206.05	10,051.46
Total Cost Of Construction	**10,206.05**	**10,051.46**

Cost of Construction of projects

Basis of calculation

Cost of constructed is includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads,construction costs and development/construction material which is charged to statement of profit loss based on the revenue recognised as explained in accounting policy for revenue from realestate projects above, in consonance with the concept of matching cost revenue. Final adjustment is madeon completion of the specific project.

25) Employee Benefit Expense **(₹ in lakhs)**

Particulars	2018-19	2017-18
Salary, wages and bonus	686.56	665.16
Contribution to provident fund	61.10	72.28
Workmen and staff welfare expenses	15.72	17.45
Total	**763.37**	**754.89**

EMPLOYEE BENEFIT OBLIGATIONS

a) Actuarial assumptions

For determination of the liability in respect of compensated absences, the Company has used following actuarial assumptions:

Particulars	2018-19	2017-18
a) Discounting Rate	7.80 P.A.	7.87 P.A.
b) Salary Escalation Rate	5.50 P.A.	5.50 P.A.
c) Expected Rate of Return on Assets	0.00 P.A.	0.00 P.A.

b) Demographic Assumptions Used to Determine the Defined Benefit

Particulars	2018-19	2017-18
a) Retirement Age	60 Years	60 Years
b) Mortality Table	IALM [2006-2008]	IALM [2006-2008]
c) Employee Turnover / Attrition Rate		
18 to 30 Years	5.00	5.00
30 to 45 Years	3.00	3.00
Above 45 Years	1.00	1.00

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management’s historical experience.

Notes to standalone financial statements for the year ended March 31, 2019

c) Breakup of Actuarial gain/loss:

(₹ in lakhs)

Total Defined Benefit Cost/(Income) included in Profit Loss and Other Comprehensive Income)	As at 31 March, 2019	As at 31 March, 2018
Amount recognized in PL, End of Period	15.62	24.11
Amount recognized in OCI, End of Period	(4.15)	(11.78)
Total Net Defined Benefit Cost/(Income)	**11.47**	**12.33**

d) Sensitivity analysis for gratuity liability:

(₹ in lakhs)

Sensitivity Analysis	As at 31 March, 2019	As at 31 March, 2018
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	63.15	72.73
Defined Benefit Obligation – Discount Rate +100 Basis Points	(7.08)	(8.30)
Defined Benefit Obligation – Discount Rate -100 Basis Points	8.32	9.78
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	63.15	72.73
Defined Benefit Obligation – Salary Escalation Rate +100 Basis Points	8.43	9.92
Defined Benefit Obligation – Salary Escalation Rate -100 Basis Points	(7.29)	(8.55)

*Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

e) Maturity Profile of Defined Benefit Obligation

(₹ in lakhs)

Expected Cashflows for the Next Ten Years	As at 31 March, 2019	As at 31 March, 2018
Year - 2018-2019	—	2.37
Year - 2019-2020	2.47	2.39
Year - 2020-2021	1.61	2.86
Year - 2021-2022	2.08	6.07
Year - 2022-2023	3.83	5.04
Year -2023-2024/(PY 2024-2028)	7.91	72.95
Year - 2025-2029	78.67	—
	96.57	91.67

f) Change in Defined Benefit Obligation

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Defined Benefit obligation, beginning of period	72.73	87.91
Interest Cost on DBO	5.67	6.92
Net Current Service Cost	9.95	11.90
Actual Plan Participants' Contributions	—	—
Benefits Paid	(21.06)	(27.51)
Past Service Cost	—	5.29
Changes in Foreign Currency Exchange Rates	—	—
Acquisition /Business Combination / Divestiture	—	—
Losses / (Gains) on Curtailments / Settlements	—	—
Actuarial (Gain)/ Loss on obligation	(4.15)	(11.78)
Defined Benefit Obligation, End of Period	63.15	72.73

Notes to standalone financial statements for the year ended March 31, 2019

g) Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Service Cost	9.95	11.90
Net Interest Cost	5.67	6.92
Past Service Cost	—	5.29
Remeasurements*	—	
Administration Expenses	—	—
(Gain)/ Loss due to settlements / Curtailments /Terminations / Divestitures		
Total Defined Benefit Cost/(Income) included in Profit & Loss	15.62	24.11
* OCI methodology is being adopted for the first time for March 2018 valuation.		

h) Analysis of Amount Recognized in Other Comprehensive (Income)/Loss at Period - End

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Amount recognized in OCI, (Gain) / Loss Beginning	**(11.78)**	**—**
Remeasurements Due to :	—	—
1. Effect of Change in Financial Assumptions	0.53	(4.10)
2. Effect of Change in Demographic Assumptions	—	—
3. Effect of Experience Adjustments	(4.69)	(7.68)
4. (Gain)/ Loss on Curtailments/Settlements	—	—
5. Return on Plan Assets (Excluding Interest)	—	—
6. Changes in Asset Ceiling	—	—
Total Remeasurements Recognised in OCI	**(4.15)**	**(11.78)**
Amount Recognized in OCI (Gain)/Loss, End of Period	**(15.94)**	**(11.78)**

i) Reconciliation of Balance Sheet Amount

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Balance Sheet (Asset)/ Liability, Beginning of Period	72.73	87.91
True-up	—	—
Total Charge/ (Credit) Recognised in Profit and Loss	15.62	24.11
Total Remeasurements Recognised in OC	(4.15)	(11.78)
Acquisition /Business Combination / Divestiture	—	—
Employer Contribution	—	—
Benefits Paid	(21.06)	(27.51)
Other Events	—	—
Balance Sheet (Asset)/Liability, End of Period	**63.15**	**72.73**

Notes to standalone financial statements for the year ended March 31, 2019

j) Current/ Non Current Bifurcation

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Current liability	2.18	2.10
Non-Current liability	60.96	70.64
Net Liability	**63.15**	**72.73**

26) Finance Costs

(₹ in lakhs)

Particulars	2018-19	2017-18
Interest on Loan & other Expenses	1,086.17	915.49
Unwinding of Interest	105.54	47.51
Total	**1,191.71**	**963.00**

27) Depreciation and amortization expense

(₹ in lakhs)

Particulars	2018-19	2017-18
Depreciation on tangible assets	109.56	123.00
Amortisation of intangible assets	9.70	76.27
Total	**119.26**	**199.27**

28) Other Expenses

(₹ in lakhs)

Particulars	2018-19	2017-18
Audit Fees	5.00	5.00
Advertisement & Sale Promotion Expenses	242.02	207.07
Bank charges	8.22	7.93
Commission & Brokerage Expenses	149.15	104.96
Corporate Social Responsibility	15.00	55.00
Donation	11.21	76.04
General Expenses	66.49	67.67
Legal & Professional Expenses	144.11	204.70
Loss on sale/Discard of fixed assets	—	1.71
Postage & Telephone Charges	85.73	75.32
Printing & Stationery	12.22	6.27
Power fuel & water	25.50	28.00
Rent, Rates & taxes	173.11	226.07
Repair & Maintenance	—	
– Building	4.16	22.41
– Plant & Machinery	5.58	8.61
– Vehicles	22.09	13.30
– others	19.21	36.31
Travelling Expenses	67.99	52.20
Total	**1,056.79**	**1,198.57**

Notes to standalone financial statements for the year ended March 31, 2019

a) Foreign Currency Transaction : (₹ in lakhs)

Particulars	2018-19	2017-18
Consultancy Expenses	—	—
Others	—	—
	—	—
Total	**—**	**—**

b) Legal and professional charges includes payment to auditor (₹ in lakhs)

Particulars	2018-19	2017-18
As auditor:		
Statutory Audit fee	5.00	5.00
Total	**5.00**	**5.00**

29) Components of Other Comprehensive Income (OCI) (₹ in lakhs)

Particulars	2018-19	2017-18
Re-measurement losses on defined benefit plans	4.15	11.78
Income tax effect	(1.15)	(3.90)
Total	**3.00**	**7.88**

30) Details of CSR expenditure (₹ in lakhs)

Particulars	2018-19	2017-18
a) Gross amount required to be spend by the Company during the year *	15.00	22.45
b) Amount spent during the year ended March 31, 2019		
(i) Construction/acquisition of any asset	—	—
(ii) On purpose other than (i) above	—	55.00

*The Company has require to spent Rs15.00 lacs in current financial year as per provision of section 135 of the Companies Act ,2013 read with schedule VII towards Corporate Social Responsibility (CSR) activities. But company is not able to spent any amount and reason for the same was disclosed in the directors report of the company.

Further Company has already spent Rs 55.00 Lacs in Previous year 2017-18 against the Rs. 22.45 lacs (P.Y.2017-18) and Rs. 28.56 lacs (P.Y. 2016-17)towards the CSR Activities.

Notes to standalone financial statements for the year ended March 31, 2019

31) Earnings Per Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations :

(₹ in lakhs)

Particulars	2018-19	2017-18
Net Profit/(Loss) after tax as per Statement of Profit & Loss attributable to equity share holders	29.69	96.40
Weighted average number of equity shares outstanding for calculating:		
— Basic EPS		
Total number of equity shares outstanding at the beginning of the year (in lakhs)	1,285.92	1,135.92
Total number of equity shares outstanding at the end of the year (in lakhs)	1,285.92	1,285.92
Weighted-average number of equity shares (in lakhs)	1,285.92	1,148.42
— Diluted EPS		
Weighted-average number of equity shares (in lakhs)	1,735.92	1,148.42
Face value per Equity Share - Rs. 2 each		
Earning Per Share		
— Basic EPS	0.02	0.08
— Diluted EPS	0.02	0.08

32) Segment Reporting

In line with the provisions of Ind AS 108 - operating segments and basis the review of operations being done by the Board and the management, the operations of the Group fall under colonization and real estate business, which is considered to be the only reportable segment. The Group derives its major revenues from construction and development of real estate projects and its customers are widespread. The Group is operating in India which is considered as a single geographical segment.

33) Related Parties Disclosures:

As per Indian Accounting Standard (Ind AS)24 "Related Party Disclosure"the disclosure of transactions with the related parties are given below:

i) List of Related parties where control exists and related parties with whom transactions have taken place and relationships :

Related Parties	Nature of Relationship
1. CHD Blueberry Realtech Private Limited 2. CHD Infra Projects Private Limited 3. CHD Facility Management Private Limited 4. CHD Hospitality Private Limited 5. CHD Elite Realtech Private Limited 6. Delight Spirits Private Limited 7. Empire Realtech Private Limited 8. Golden Infracon Private Limited 9. International Infratech Private Limited	**Wholly owned Subsidiary Company**
1. Aadyant Education Private Limited 2. Capital Institute of Competition Training Private Limited 3. CHD Agro Products Private Limited 4. Divine Townships Private Limited	**Significant Influence of Key Managerial Personnel**
1. R. K. Mittal 2. Gaurav Mittal 3. Ruchi Mittal 4. Radha Mittal 5. Naresh Kumar Sharma 6. Ravinder Singh Kataria	**Key Managerial Personnel & their Relatives**

Notes to standalone financial statements for the year ended March 31, 2019

ii) Transactions during the year with the Related Parties : (₹ in lakhs)

Nature of Transactions	Subsidiaries	KMP & their Relatives	Significant influence of KMP	Total
1.Loan & Advances				
– Given	**1,583.97**	**245.87**		**1,829.84**
	(839.79)	—	—	**(839.79)**
				—
– Received	**187.65**	**245.87**	—	**433.51**
	(1,128.19)	—	—	**(1,128.19)**
				—
2. Remuneration paid	—	**187.27**	—	**187.27**
	—	(179.39)	—	**(179.39)**

***Previous year figures have been given in (Parentheses)**

iii) The above includes the following material transactions:- (₹ in lakhs)

Transactions during the year	Name of the entity	2018-19	2017-18
Loan / Advances given	CHD Facility Management Private Limited	218.34	494.08
	CHD Elite Realtech Private Limited	5.00	—
	CHD Infra Projects Private Limited	71.17	69.09
	CHD Hospitality Private Limited	403.50	147.95
	CHD Retirement Township Pvt. Ltd.	380.50	—
	Delight Spirits Private Limited	—	0.04
	Empire Realtech Private Limited	502.46	128.63
	CHD Skyone Developers Private Limited	1.00	—
	Divine Townships Private Limited	1.00	—
	Horizon Realtech Private Limited	1.00	—
Loan / Advances Received	CHD Blueberry Realtech Private Limited		5.00
	CHD Facility Management Private Limited	6.36	480.58
	CHD infra Projects Private Limited	55.88	0.34
	CHD Hospitality Private Limited	38.82	72.51
	CHD Elite Realtech Private Limited	0.00	—
	Delight Spirits Private Limited	0.60	—
	Golden Infracon Private Limited	0.02	—
	Empire Realtech Private Limited	80.96	574.75

iv) The maximum Balance of the Related Parties are as follow: (₹ in lakhs)

Name of the entity	2018-19	2017-18
CHD Blueberry Realtech Private Limited	1,579.30	1,573.87
Chd Facility Management Private Limited	173.06	191.39
Chd infra Projects Private Limited	194.92	153.97
Chd Hospitality Private Limited	3,813.24	3,815.10
CHD Elite Realtech Private Limited	464.01	464.00
CHD Retirement Township Pvt. Ltd.	534.83	534.83
Delight Spirits Private Limited	9.20	8.59
Golden Infracon Private Limited	1,676.75	1,676.75
Empire Realtech Private Limited	427.00	900.29
International Infratech Private Limited	788.77	788.77
Chd Skyone Developers Private Limited	1.00	1.00
Divine Townships Private Limited	1.00	1.00
Horizon Realtech Private Limited	1.00	1.00

Notes to standalone financial statements for the year ended March 31, 2019

v) Compensation of Key Managerial Persons:

Name of the entity	2018-19	2017-18
Short Term Benefits	187.27	179.39
Post Employment Benefits	—	—
Other Long term Benefits	—	—
Share Based Payments	—	—
Termination Benefits	—	—-
Total	**187.27**	**179.39**

34) Operating Lease

The Breakup of the total future minimal lease Rental Expenses/ Income as per "IND AS-17" March 31, 2019 is as follow:

A. Lease Rental Expenses : (₹ in lakhs)

Particulars		As at 31 March, 2019	As at 31 March, 2018
A)	Not later than one year	64.97	133.91
B)	Two to Five years	292.06	413.46
C)	More than Five Years	347.59	—
	Total	**704.63**	**547.37**

B. Lease Rental Incomes : (₹ in lakhs)

Particulars		As at 31 March, 2019	As at 31 March, 2018
A)	Not later than one year	—	12.00
B)	Two to Five years	—	48.00
C)	More than Five Years	—	12.00
	Total	**—**	**72.00**

35) a) Contingent Liabilities & Commitments:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
1. Claims against the company not acknowledged as debt	3,258.81	2,913.24
2. Guarantee issued by the Banks on behalf of the Company	1,359.81	1,646.06
3. Corporate gaurantee given to bank for providing loans / BG's to related Parties	23.74	113.32

* The Company has been advised that the demand is likely to be either delete or substantially reduced and accordingly no provision is considered necessary.

The impact of pending litigations on financial positions has been considered.

Notes to standalone financial statements for the year ended March 31, 2019

b) Capital and other commitments (₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
a) Capital commitments (for property, plant and equipment's and investment properties)	—	—
b) The Company has undertaken to provide continued financial support to certain subsidiaries/ associates as and when required.	—	—
c) Commitment regarding payments under development agreements with certain partnership firms where the Company or its subsidiaries are partner and certain third party entities with whom development agreements are in place.	—	—

36.) Standard issued but not yet effective

The amendments to standards or new standards that are issued but not yet effective, upto the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

IND AS 116 - Leases

Ind AS 116 Leases was notified by Ministry of Corporate Affairs (MCA) on March 30, 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after April 01, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset).

Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.Lessees will be also required to re-measure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

The Company intends to adopt these standards from April 01, 2019. Based on the preliminary analysis, the Company does not expect significant impact on the profits of the Company. However, the new standard will increase the disclosure requirements related to the leases.During FY 2019-20, the Company will continue the analysis in more detailed level and implement the standard and will inform effects in more detailed level during the year.

37)a. Donation Expense :

During the year the Company has donated of Rs.11.21 lacs (P.Y. 1.03 lacs) to various Institutions/parties.

b. Contribution to Political Parties:

During the year the Company has donated Nil (P.Y. 75 lacs) to Political parties.

38) Remittance in Foreign Currencies for dividends

The Company has remitted Rs. Nil (March 31,2018 :Rs. Nil) in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittance,if any ,in foreign currencies on accunt of dividend have been made by/on behalf of non resident shareholders.

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

40.) Financial Risk Management objectives and policies

The Company's principal financial liabilities comprise of borrowings, trade and other payables, security deposits received from dealers/customer. The main purpose of these financial liabilities is to finance the Company's operations.

The Company's principal financial assets include investments, security deposits, trade receivables, loan to employee, other receivables and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The

Notes to standalone financial statements for the year ended March 31, 2019

Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

The Audit Committee oversees how management monitors compliance with risk management policy and procedures and procedures, and reviews the adequacy of risk management framework in relation to the risk faced by the Company. The Audit Committee is assisted in its role by Internal Audit.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits and FVTPL investments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The analysis exclude the impact of movements in market variables on: the carrying values of post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

ii) Interest rate sensitivity

The Company is not exposed to the risk of changes in market interest rates, since the rate of interest for the loans availed by the Company is fixed rate interest.

iii) Price risk

Commodity price risk:

As the Company is not engaged in business of commodities which are traded in recognized commodity exchanges, commodity risk is not applicable.

Equity price risk:

Since the Company has not made any investment in any listed/ unlisted securities during the year or at the year end, equity price risk is not applicable.

iv) Foreign Currency Risk

The Company has "Nil" international transactions and is not exposed to foreign exchange risk arising from foreign currency transactions.

Foreign Currency Transaction :

Particulars	31st March, 2019	31st March, 2018
Consultancy Expenses	—	—
Others	—	—
Borrowings in foreign currency	—	—
Total	**—**	**—**

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including balances lying with banks and financial institutions, foreign exchange transactions and other financial instruments.

Notes to standalone financial statements for the year ended March 31, 2019

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts. Hence, no adjustment has been made on account of Expected Credit Loss (ECL) model.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits/ mutual funds with the Banks/ financial institutions with high credit ratings assigned by the international/ domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance of continuity of funding and flexibility through the use of short term and long term loans and borrowings. The Company's management reviews the liquidity position on an ongoing basis. The below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments:

Maturity profile of financial liabilities
As at 31 March 2019

(₹ in lakhs)

Particulars	Borrowing current	Borrowing non-current	Trade payables	Other financial liabilities & Other Current Liabilities	Total
Carrying Amount	9,509.72	17,046.38	1,850.95	22,365.54	50,772.58
Contractual cash flows	9,509.72	17,046.38	1,850.95	22,365.54	50,772.58
Maturity profile					—
On Demand	—	—	—	458.09	458.09
1-12 months	9,509.72	—	1,850.95	21,907.45	33,268.12
1-2 years	—	6,729.20	—	—	6,729.20
2-5 years	—	10,317.18	—	—	10,317.18

As at 31 March 2018

(₹ in lakhs)

Particulars	Borrowing current	Borrowing non-current	Trade payables	Other financial liabilities & Other Current Liabilities	Total
Carrying Amount	5,112.43	15,638.77	1,411.05	20,919.35	43,081.59
Contractual cash flows	5,112.43	15,638.77	1,411.05	20,919.35	43,081.59
Maturity profile	—	—	—	—	—
On Demand	—	—	—	485.09	485.09
1-12 months	5,112.43	—	1,411.05	20,434.26	26,957.73
1-2 years	—	15,638.77	—	—	15,638.77
2-5 years	—	—	—	—	—

41. Capital management

a) For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

b) The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.

Notes to standalone financial statements for the year ended March 31, 2019

c) Credit Analysis & Research Limited has assigned the following credit rating. 1. CARE BBB (FD) for the Fixed Deposit Programme of the Company for an amount of Rs. 45.30 Crores. 2. CARE BBB for the long term bank facilities of Company amounting to Rs. 190.00 Crores.

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Long term borrowings (Note 15)	17,046.38	15,638.77
Short term borrowings (Note 15)	9,509.72	5,112.43
Interest accrued on Long term debt (Note 19)	123.25	129.09
Less : Cash and cash equivalent (Note 9)	(816.43)	(936.79)
Less: Other Bank balances (Note 10)	(557.34)	(1,225.26)
Net debts*	**25,305.59**	**18,718.24**
Capital Components		
Equity	2,571.85	2,571.85
General reserve	0.50	0.50
Share Warrents	1,633.50	1,633.50
Capital Reserve	749.27	749.27
Securities Premium	3,533.63	3,533.63
Reserve and Surplus	7,179.90	7,473.97
Total Capital	**15,668.65**	**15,962.71**
Capital and Net debts	**40,974.24**	**34,680.95**
Gearing Ratio	**162%**	**117%**

*** Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents - Other bank balance except unclaimed dividends**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018

42. (i) Fair value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying Value		Amortized Value	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Financial Assets				
At Amortized Cost				
Investment	5,364.34	5,364.34	5,364.34	5,364.34
Other Non Current Financial Assets	367.66	85.95	367.66	85.95
Trade Receivables	156.99	134.65	156.99	134.65
Cash & Cash Equivalents	816.43	936.79	816.43	936.79
Other Bank Balances	560.52	1,231.06	560.52	1,231.06
Other Current Financial Assets	8,267.96	9,544.33	8,267.96	9,544.33
At Amortized Cost				
Financial Liablities				
Borrowings	26,556.10	15,638.77	26,556.10	15,638.77
Trade Payables	1,850.95	1,411.05	1,850.95	1,411.05
Other Financial Liablities	17,362.50	15,606.04	17,362.50	15,606.04
Other Current Liabilities	5,003.04	5,313.31	5,003.04	5,313.31

Notes to standalone financial statements for the year ended March 31, 2019

The management assessed that cash and cash equivalent, trade receivables, trade payables, other liabilities, other assets and borrowings approximates their carrying amount at fair value.

The fair value of Current Financial Assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following method and assumptions were used to estimate the fair value :

The fair value of unquoted investments are based on book-value as on the reporting date.

ii) Fair value hierarchy

Particular	31 March 2019		31 March 2018	
	Carrying Value	Amortized Value	Carrying Value	Amortized Value
Level - 3				
Financial asset				
Investments	5,364.34	5,364.34	5,364.34	5,364.34
Other Financial Assets	367.66	367.66	85.95	85.95
Financial Liabilities				
Borrowings	26,556.10	26,556.10	15,638.77	15,638.77

43) The financial statements were approved for issue by the board of directors on 29/06/2019

44) The figures of previous year have been reclassified/regrouped for the better presentation in the financial statements and to confirm to the current year's classification/disclosures. This does not have any impact on the profits of previous year.

45) Company has transferred Rs.1,19,045 /- (P.Y. Rs 92,492/-) to the Investor Education and Protection Fund during the F.Y. 2018-19. However, there is no amount pending to be transferred to Inverstor Education and Protection Fund as on 31.03.2019.

46) The accounts of certain trade receivables, trade payables, short term loans and advances and current liabilities are subject to confirmation / reconciliation and adjustment, if any. The management does not expect any material difference affecting the current year's financial statements.In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

47) The accompanying notes are an integral part of the standalone financial statements.

For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

Independent Auditor's Report

To
The Members of
CHD Developers Limited

Qualified Opinion

1. We have audited the accompanying Consolidated financial statements of CHD Developers Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Ind AS Balance Sheet as at 31st March 2019, the Consolidated Ind AS Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Ind AS Cash Flow Statement and the Consolidated Ind AS Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accoun ng Standards (Ind AS') specified under sec on 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As per SA 570 "Going Concern", there are various events or conditions that, individually or collectively may affect the entity's ability to continue as a going concern. As stated in Cash Flow Statement, there is negative operating cash flows for last three financial years amounting Rs. 2364.53 lakhs for FY 2016-17, Rs 5876.59 lakhs for FY 2017-18 and Rs *9777*.23 lakhs for FY 2018 19. This indicate high net liability or net current liability position and adverse key financial ratios for the period. Further, the Company has been unable to conclude renegotiations or obtain alternate financing arrangements. In absence of any material certainty impacting the current and future cash flow projection, we are unable to comment on the Going Concern capabilities of the Company.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

5. As stated in Note No. 23, regarding revenue recognition criteria, the Company had considerably affected the construction cost and budgeted cost thereby impacting the stage of completion of various projects that are based on cost basis and corresponding impact on revenue also. Management has stated that revised estimates are as per revision in budgeted cost and are based on changed factors forming part of budgeted cost with corresponding impact on measurement of revenue for the period. Our opinion is not modified in respect of this matter.

6. We draw attention to Note no. 19 regarding trade payables amounting to Rs. 2011 Lakhs (two thousand eleven lakhs) that includes balances that are overdue for more than 180 days. We are not provided any working regarding the bifurcation of creditors which are outstanding for more than 180 days. Our opinion is not modified in respect of this matter.

7. We draw attention to Note no. 20, regarding statutory dues that include TDS payable (i.e. TDS deducted but not deposited) since October 2018 amounting to Rs. 241 lakhs & EDC/IDC Payable amounting to Rs. 13,561 Lakhs (Thirteen thousand five hundred sixty one lakhs). Further, the HVAT amounting to Rs. 413 Lakhs (Four hundred and thirteen lakhs) and provident fund payable Rs. 5.34 lakhs (five lakhs thirty four thousand) is also not deposited. Our opinion is not modified in respect of this matter.

8. We draw attention to Note no. 19, regarding to input tax credit that pertains to trade creditor which remain unpaid for more than 180 days. The amount could not be computed in absence of availability of sufficient information in respect of input tax credit pertaining to creditors outstanding for more than 180 days. This input tax credit shall be available to the Company at the time of payment to the underlying trade payables & liabilities. Our opinion is not modified in respect of this matter.

9. We draw attention to Note no. 14, regarding allotment of 4.5 crore share warrants which was made by the company in the last year (i.e. 17-18) that are convertible into equal number of equity shares at an issue price of Rs. 14.52 per share warrant and has also received 25% of the amount i.e Rs. 1,634 lakhs (One thousand six hundred thirty four lakhs) which has been utilized by the company and balance amount has not yet

received. Management expect to receive the same by 17th August 2019 i.e. last date of payment against share warrants. Our opinion is not modified in respect of this matter by management view.

10. We draw attention to Note no. 15, regarding public deposits taken by the company amounting to Rs. 3,510 lakhs (Rupees three thousand five hundred and ten lakhs only).Twenty percent of the amount of its deposits maturing during the following financial year has not been kept in "Deposit Repayment Reserve Account" in schedule bank. Although the company has maintained following Fixed deposits with Axis Bank, which has been physically verified by us as on date of signing.

Bank Name	F.D.R. No.	Amt. in Lakhs
Axis Bank	15102860290	150
Axis Bank	15102860291	150
Axis Bank	15102860295	145
Axis Bank	15102860296	155
Axis Bank	15102860298	25
Axis Bank	15102860297	45
	Total	**670**

11. We draw attention to Note no. 9 & 40 regarding confirmations of Bank balances, Creditors & Debtors which has not been received for balances standing in the books as at 31st March 2019. Management has represented that balances as per books is not expected to significantly differ and shall not affect financial position materially. Reconciliation/ Confirmation of balances in parties account, claim receivable, advances and current/other liabilities and consequential adjustment that may arise on reconciliation. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Our opinion is not modified in respect this matter.

Key audit matter	How our audit addressed the key audit matter
During the course of our audit, it has been observed that the Company has raised milestone demand request to customers which has been opposed by some of its customer with a view that the milestone has not yet been completed and Company is demanding the payment without completion of the milestone. Management has declared that invoices has been issued in compliance with the Builder-Buyer Agreement.	Our Audit procedures includes the following substantive procedures: > We make enquiries with management regarding the same > Check the Management Intention > Visit to the respective sites for the verifications of the Milestone Programme > Photographs of the sites taken as evidence > Obtain Management Representation cum-Declaration from the Company

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Performance Review and Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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.

In preparing the consolidated financial statements, respective management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

As part of an audit in accordance with Standards on Auditing (SAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
   a) we have sought and except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, 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) except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Consolidated financial statements comply with Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
   d) the Going Concern matters described in paragraph 3 under the Basis for Qualified Opinion paragraph, in our opinion, may have an adverse effect on the functioning of the Company;
   e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of section 164(2) of the Act;
   f) we have also audited the internal financial controls over financial reporting (IFCOFR) of the Company as on 31st March 2019 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date and our report dated 31st March 2019 as per Annexure-A expressed unmodified.
   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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
      i. the Company, as detailed in Note no 37 to the Consolidated financial statements, has disclosed the impact of pending litigation(s) on its Consolidated financial position as at 31st March 2019.;
      ii. except for the effects of the matter(s) described in the Basis for Qualified Opinion paragraph,} the Company, as detailed in Note no 38a to the Consolidated financial statements, has made provision as at 31st March 2019, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2019. Refer Note no 39 to the Consolidated Ind AS financial statements;
2. With respect to the matters to be included in the Auditor's report under Section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding company and its subsidiaries which are incorporated in India is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs (MCA) has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place: New Delhi
Date: 29.06.2019

FOR AMRG & Associates
Chartered Accountants
FRN: 004453

CA Madhu Mohan
(Partner)
MRN No. 082938

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 with reference to Consolidated financial statements of CHD Developers Limited ("the Company") as of 31st March, 2019 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgments, 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 internal financial controls system over financial reporting of the Company.

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) pertains 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, to the best of our information and according to the explanations given to us, 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, 2019, 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.

Place: New Delhi
Date: 29.06.2019

FOR AMRG & Associates
Chartered Accountants
FRN: 004453

CA Madhu Mohan
(Partner)
MRN No. 082938

Consolidated Balance Sheet

As at MARCH 31, 2019

(₹ in lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
a) Property, Plant and Equipment	3	1,152.75	6,337.73
b) Capital Work-in-Progress	3	423.12	423.12
c) Goodwill	3	3,182.62	3,182.62
d) Other Intangible Assets	3	30.70	60.77
e) Financial Assets			
i) Investments	4	4,072.66	4,072.66
ii) Other Financial Assets	5	367.66	85.95
f) Deferred Tax Assets (net)	6	133.70	178.93
		9,363.21	**14,341.78**
Current Assets			
a) Inventories	7	31,994.87	31,322.78
b) Financial assets			
i) Trade Receivables	8	327.73	298.11
ii) Cash and Bank Balances	9	886.22	1,107.13
iii) Other Bank Balances	10	631.86	1,233.46
iv) Other Financial Assets	11	1,721.84	559.61
c) Other Current assets	12	24,118.37	16,678.49
		59,680.89	**51,199.58**
Total Assets		**69,044.10**	**65,541.36**
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	13	2,571.85	2,571.85
b) Other Equity	14	13,600.28	13,876.72
Equity attributable to Shareholders of the Company		**16,172.13**	**16,448.57**
Minority Interest		—	—
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	17,046.38	15,638.77
b) Other Non-Current Liabilities	16	1,419.20	1,927.77
c) Employee Benefit obligation	17	90.29	103.02
e) Deferred tax Liabilities (net)	18	0.06	0.46
		18,555.93	**17,670.03**
Current Liabilities			
a) Financial liabilities			
I) Borrowings	15	9,509.72	5,112.43
ii) Trade Payables			
(a) Total outstanding dues of Micro Enterprises and small enterprises	19	22.21	—
(b) Total outstanding dues of creditors other than Micro Enterprises and small enterprises	19	1,989.01	1,810.47
iii) Other Financial Liabilities	20	17,710.68	19,085.64
b) Employee Benefit obligation	17	3.69	4.07
c) Income Tax Liabilities (Net)	23	66.80	85.64
d) Other Current Liabilities	21	5,003.04	5,313.31
e) Provisions	22	10.89	11.20
		34,316.04	**31,422.75**
Total Equity & Liabilities		**69,044.10**	**65,541.36**

The accompanying notes (2-42) form an integral part of the Consolidated financial Statements

As per our report of even date attached
For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

CHD DEVELOPERS LTD.

Consolidated Statement Of Profit & Loss

For the Year Ended March 31, 2019

(₹ in lakhs)

Particulars	Note	Year ended March 31,2019	Year ended March 31,2018
Income			
a) Revenue from Operations	24	14,569.61	14,559.79
b) Other Operating Income	24a	715.47	439.58
Total Revenue		**15,285.08**	**14,999.37**
Expenses			
Cost of Land, Plots, Constructed Properties, Development Rights	25	10,612.37	10,450.05
Employee Benefits Expense	26	868.43	841.78
Finance Costs	27	1,191.71	965.45
Depreciation and Amortization Expenses	28	125.37	203.69
Other Expenses	29	2,323.68	2,427.88
Total Expenses		**15,121.56**	**14,888.85**
Profit/(loss) before Exceptional Item and Tax		**163.52**	**110.52**
Exceptional Items (Net)		**—**	**—**
Profit/(loss) before tax		**163.52**	**110.52**
Tax Expense			
Income tax		66.80	85.64
Mat Credit available		—	(1.02)
Deferred tax		43.52	(98.07)
Total Tax Expense		**110.32**	**(13.45)**
Profit/(loss) for the year from Continuing Operations		**53.20**	**123.97**
Other Comprehensive Income(OCI)			
a) Items that will not be reclassified to profit and loss			
— Remeasurements gains/(losses) of the defined benefit obligation		4.73	11.78
b) Income tax relating to items that will not be reclassified to profit and loss			
— Income tax on remeasurements of gains/(losses) of the defined benefit obligation		(1.31)	(3.90)
Total Other comprehensive Income/(loss)		**3.42**	**7.88**
Total comprehensive income / (loss) for the period		**56.62**	**131.85**
Earnings per equity share of face value Rs.2 each	30		
Basic			
Computed on the basis of total profit for the year		0.04	0.11
Diluted			
Computed on the basis of total profit for the year		0.04	0.10

The accompanying notes (2-42) form an integral part of the Consolidated financial Statements

As per our report of even date attached

For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

CHD DEVELOPERS LTD.

Consolidated Cash Flow Statement

For the Year Ended March 31, 2019

(₹ in lakhs)

Sl.No.	Particulars		2018-19		2017-18
A	**Cash Flow From Operating Activities**				
	Net Profit Before Tax		**168.25**		**123.33**
	Adjustments for:				
	Depreciation	125.37		203.69	
	Loss on sale of Fixed Assets	—		1.71	
	Previous Year Tax Adjustment	(10.24)		5.70	
	Impairment loss on Assets	21.12		—	
	Interest Paid	1,086.17		965.45	
	Interest Received	(288.96)		(213.07)	
	Adjustment on Consolidation	0.75		(11.41)	
	Adjustment regarding IFRS	(323.57)		—	
			610.64		**952.07**
	Operating Profit before Working Capital Changes		**778.89**		**1,075.40**
	Adjustments for:				
	Increase/(decrease) in trade & other payables	200.75		(2,004.89)	
	Increase/(decrease) in Other Financial Liability	(1,374.96)		1,213.49	
	Increase/(decrease) in Other Current Liability	(310.27)		(0.75)	
	Increase/(decrease) in Non-Current Net Employee Benefit Obligation	(12.73)		(24.73)	
	Increase/(decrease) in Current Net Employee Benefit Obligation	(0.38)		—	
	Increase / (decrease) in provisions	(0.31)		(11.53)	
	Decrease/(increase) in trade receivables	(29.62)		226.99	
	Decrease/(increase) in inventories	(672.09)		(115.05)	
	Decrease/(increase) in other Bank Balances	331.26		—	
	Decrease/(increase) in Other Financial Assets	(1,162.23)		(5,870.22)	
	Decrease / (increase) in Other Current Assets	(7,439.88)		—	
			(10,470.46)		(6,586.69)
	Cash generated from Operations		**(9,691.57)**		(5,511.29)
	Direct Taxes paid		(85.64)		(365.30)
	Net Cash Flow from Operating Activities		**(9,777.23)**		(5,876.59)
B	**Cash Flow From Investing Activities**				
	Purchase of fixed assets	(58.03)		(68.64)	
	Adjustment from sale of fixed assets	5,126.59		4.00	
	Sale / (Purchase) of Investments	—		(5.09)	
	Interest received	288.96		213.07	
	Net Cash Flow from Investing Activities		5,357.52		143.34
C	**Cash Flow From Financing Activities**				
	Proceeds from issue of equity share capital	—		300.00	
	Proceeds from issue of share warrants	—		1,633.50	
	Proceeds from security premium	—		1,878.00	
	Payment of Dividends	—		(113.59)	
	Payment of Dividend Distribution Tax	—		(23.12)	
	Interest Paid	(1,086.17)		(965.45)	
	Receipt/(Payment) of non-current liab	(508.57)		(84.04)	
	Receipt/(Payment) of security deposit	(11.37)		1.55	
	Proceeds / (Repayment) of Short Term Borrowings	4,397.30		(2,680.66)	
	Proceeds / (Repayment) of Long Term Borrowings	1,407.61		5,926.78	
	Net Cash Flow from Financing Activities		**4,198.80**		**5,872.97**
	Net Increase in Cash and Cash Equivalents		**(220.91)**		**139.71**
	Cash & Cash Equivalents as at beginning of the year		1,107.13		967.42
	Cash & Cash Equivalents as at the end of the year		**886.22**		**1,107.13**

	Particulars	Note	As at 31.03.2019		As at 31.03.2018
	Cash and cheques on hand		38.30		79.87
	Balances with scheduled banks:				
	— on current accounts		298.77		651.80
	— Deposit with original maturity of less than three months		549.15		375.46
			886.22		**1,107.13**

Summary of Significant accounting policies note-1 attached

The accompanying notes (2-42) form an integral part of the Consolidated financial Statements

Note : (A) The above cash flow statement has been prepared under the "Indirect Method" as stated in Accounting Standard-3. (B) *Other Bank balance include Rs. 3.18 Lacs (P.Y. 5.80 Lacs) of unclaimed dividend not available for use with the Company. (C)Figures In brackets indicates cash outflow.

As per our report of even date attached

For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

Consolidated Statement of Changes in Equity

For the Year Ended March 31, 2019

(Amounts in Lacs, unless otherwise stated)

A. Equity Share Capital **(₹ in lakhs)**

Particulars	Balance as on 01 April 2017	Issued during the Year	Balance as at 31 March 2018	Issued during the Year*	Balance as at 31 March 2019
Equity shares of INR 2 each issued, subscribed and fully paid	2271.85	300.00	2,571.85	—	2,571.85
No. of Shares	113,592,286	15,000,000	128,592,286	—	128,592,286

*Refer Note No: 13

B. Other Equity

For the year ended 31 March 2019 **(₹ in lakhs)**

Particulars	Reserve and surplus					Other	Total
	General reserves	Capital Reserve	Securities Premium	Money received against share warrants	Retained earnings	comprehensive income*	
Balance as at 01 April 2017	**42.75**	**—**	**1,655.63**	**—**	**8,546.64**	**(5.93)**	**10,239.08**
Addition during the year	—	—	1,878.00	1,633.50	118.27	—	3,629.77
Other comprehensive income	—	—	—	—	—	7.88	7.88
Balance as at 31 March 2018	**42.75**	**—**	**3,533.63**	**1,633.50**	**8,664.91**	**1.95**	**13,876.73**
Balance as at 01 April 2018	42.75	—	3,533.63	1,633.50	8,664.91	1.95	13,876.73
Addition during the year	—	—	—	—	53.20	—	53.20
Remeasurement of DBO	—	—	—	—	—	3.42	3.42
Less: IND AS-115 Adjustment					(323.57)		(323.57)
Less: Adjustment of Consolidation	—	—	—	—	0.75		0.75
Less: P.Y. Tax Adjustment					(10.24)		(10.24)
Balance as at 31 March 2019	42.75	—	3,533.63	1,633.50	8,385.05	5.37	13,600.28

The accompanying notes (2-42) form an integral part of the Consolidated financial Statements
* Other comprehensive income represents remeasurement losses of defined benefit plans.
Summary of significant accounting policies 2.2

Nature and purpose of reserves

Capital reserve
Capital reserve was created under the previous GAAP out of the profit earned from a specific transaction of capital nature. Capital reserve is not available for the distribution to the shareholders.

Securities Premium
Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

General reserve
The Company is required to create a general reserve out of the profits when the Company declares dividend to shareholders.

As per our report of even date attached
For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

For and on behalf of the Board of Directors

CA. Madhu Mohan
Partner
Membership No.: 082938

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

Notes to consolidated financial statements for the year ended March 31, 2019

I. Corporate Information

The Consolidated Financial Statements of CHD Developers Limited (the Parent Company) comprises of the financials and its subsidiaries companies (together referred to as the 'Group'). The principle activity of the Group and its subsidiaries consists of real estate developers engaged in the business of township and residential/commercial complexes, facility management and hospitality services.

The Company is Public limited company and domiciled in India.Its registered office is situated at 202-207, Radha Chambers, Plot No. 19-20, G Block Community Centre, Vikaspuri, New Delhi West 110018.

II. Significant Accounting policies

A. Basis of preparation& presentation

(1) Statement of compliance

The consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'IInd AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 (`the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The consolidated financial statements for the year ended March 31, 2019 were authorized and approved for issue by the Board of Directors on June 29, 2019.

(2) Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities and share based payments which are measured at fair values as explained in relevant accounting policies.

(3) Functional and presentation currency

The consolidated financial statements are presented in INR, which is also its functional currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs (up to two decimals), except as stated otherwise.

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, they use an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(4) Current and non-current classification

The Company & its subsidiaries present assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sell or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Current assets include current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company & its subsidiaries have identified twelve months as its operating cycle.

(5) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

— **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

— **Level 2:** inputs other than quoted prices included in 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 for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the notes to the Accounts of Consolidated Financial Statements.

B. Basis of Consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Company.

C. Business Combination

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognized in the consolidated statement of profit and loss as incurred. The Acquires identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognitio plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity

D. Summary of Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

a) Property, plant and equipment

- **Initial recognition and measurement**

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use

Notes to consolidated financial statements for the year ended March 31, 2019

and estimated cost of dismantling and removing the item and restoring the site on which it is located. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

The cost of a self-constructed property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

- **Subsequent measurement (depreciation and useful lives)**

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set-out below) prescribed in Schedule II to the Act:

Assets Category	useful life as per company (in Years)
Tangible Asset	
Buildings	60
Plant & Machinery	15
Computers and data processing units	
Desktop, Laptop and other devices	3
Furniture and fixtures	10
Office Equipment	5
Vehicles	
Motor cycles, Scooters and other Mopeds	10
Motor car	8
Intangible Asset	
Servers & Networks	6

Depreciation on addition to/deductions from property, plant & equipment during the year is charged on pro-rata basis from/up to the date in which the asset is available for use/disposed

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

- **Decommissioning costs**

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

- **De-recognition**

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is de-recognized.

- **Capital work-in-progress and intangible assets under development**

Capital work-in-progress and intangible assets under development represents expenditure incurred in respect of capital projects/intangible assets under development and are carried at cost. Cost includes land, related acquisition expenses, development/ construction costs, borrowing costs and other direct expenditure.

b) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Notes to consolidated financial statements for the year ended March 31, 2019

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. Assets held under operating leases are not recognised in the Company's Balance Sheet.

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Company as a lessee

Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensates the lessor for expected inflationary costs.

Company as a lessor

Company as a lessor Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

c) Revenue & Cost recognition

- **Revenue Recognition**

The Company applied Ind AS 115 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on March 28, 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 01, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to contracts that are not completed at the date of initial application.

The cumulative effect of initially applying Ind AS 115 is recognized at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18.

Notes to consolidated financial statements for the year ended March 31, 2019

- ## Cost of revenue

Cost of real estate projects

Cost of constructed properties includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

Cost of land and plots

Cost of land and plots includes land acquisition cost, estimated internal development costs and external development charges, which is charged to the statement of profit and loss based on the percentage of land/ plotted area in respect of which revenue is recognized as explained in accounting policy for revenue from 'Sale of land and plots', in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

Cost of development rights

Cost of development rights includes proportionate development rights cost, borrowing costs and other related cost.

Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset.

d) Unbilled receivables

Unbilled receivables include:

Revenue recognized based on percentage of completion method, as per policy on revenue, over and above the amount due as per the payment plans/ invoices agreed with the customers.

e) Borrowing Cost

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition or construction of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

f) Income Tax

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

Utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

g) Inventories

- Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/ approximate average cost/as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreement to purchase) acquisition cost, borrowing cost, estimated internal development costs and external development charges, and other Govt. dues.
- Construction work-in-progress of constructed properties includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/ construction materials and is valued at lower of cost/ estimated cost and net realisable value.
- Development rights represent amount paid under agreement to purchase land/development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/ development rights in identified land and constructed properties, the acquisition of which is either completed or is at an advanced stage.
- Construction/development material is valued at lower of cost and net realisable value.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

h) Impairment of non -financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its 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 the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate assets belongs.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized

Impairment losses, if any, are recognised in the statement of profit and loss.

i) Provisions and Contingent Liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

j) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Trade receivables under Ind AS 18.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

k) Retirement and other employee benefits

Provident Fund

The Company makes contribution to statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the benefit/ obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/ obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Other long-term employee benefits

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expense in respect of short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee. Contribution made towards superannuation fund is charged to statement of profit and loss on accrual basis.

l) Financial instruments

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

A. Financial assets

Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Notes to consolidated financial statements for the year ended March 31, 2019

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial instruments at amortised cost
- Financial instruments at fair value through other comprehensive income (FVTOCI)
- Financial instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments at amortised cost

A 'Financial instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial instrument at FVTOCI

A 'Financial instrument' is classified as at 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 SPPI.
- Financial 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 P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial instrument at 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 allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').The Company has not designated any debt instrument as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantial risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks

and rewards of the asset, but has transferred control of the asset.

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risk and rewards of the ownership of the financial asset, in such cases, the financial asset is derecognised. When the Company has not transferred substantially all the risk and rewards of the ownership of the financial asset, the financial asset is not derecognised.

When the Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial assets. Where the Company retains control of the financial assets, the assets continue to be recognised to the extent of continuing involvement in the financial assets.

Impairment of financial assets

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

B. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings 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 fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 15.

Derecognition

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.

Reclassification of financial assets

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) Cash and cash equivalents

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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n) Cash Flow Statement

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7. The amendments are applicable to the Company from lstApril 2017.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to eqt of the company by the weighted average number of equity shares outstanding during the ear

Ind AS 19 - Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement determined using the assumptions used for the re-measurement. In addition, amendments,

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

Standards issued but not effective

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Company has not applied as they are effective from 01st April, 2019:

Ind AS 116 - Leases

Ind AS 116 will replace the existing leases standard, Ind-As 17 Leases. Ind-AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single accounting model for lessees. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. CHD Developers Limited does not expect this amendment to have any impact on its financial statements

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019.

Ind AS 12 - Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognised the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgment, to determine whether

Notes to consolidated financial statements for the year ended March 31, 2019

each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 - Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. CHD Developers Limited does not expect this amendment to have any impact on its financial statements.

Ind AS 19 - Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement determined using the assumptions used for the re-measurement. In addition, amendments, been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. CHD Developers Limited does not expect this amendment to have any impact on its financial statements.

Ind AS 23 - Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. CHD Developers Limited does not expect this amendment to have any impact on its financial statements

Ind AS 28 - Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. CHD Developers Limited does not currently have any long-term interests in associates and joint ventures.

Ind AS 103 - Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. CHD Developers Limited will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

III. SIGNIFICANT MANAGEMENT JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as under:

- **Significant management judgements Recognition of deferred tax assets -** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.
- **Evaluation of indicators for impairment of assets -** The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- **Classification of leases -** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on

an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exe

such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

- **Impairment of financial assets -** At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.
- **Provisions -** At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- **Revenue and inventories-The** Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.
- **Useful lives of depreciable/ amortizable assets -** Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.
- **Valuation of investment property -** Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date
- **Defined benefit obligation (DBO) -** Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- **Fair value measurements -** Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would the instrument.

3 (i) The changes in the carrying value of capital work-in-progress for the year ended 31 March 2019 are as follows:

a) PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK IN PROGRESS, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

The changes in the carrying value of property, Plant and Equipment for the year ended 31 March 2019 are as follow:

(₹ in lakhs)

Particulars	Gross Block					Depreciation					Net Block	
	As at 01.04.2018	Addition during the year	Sale	Adjustment	As at 31.03.2019	As at 01.04.2018	For the Period	Sale	Adjustment	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Tangible Assets												
Building	950.03	-	-	-	950.03	97.96	16.9	-	-	114.81	835.22	852.07
Computers	77.42	1.45	-	75.12	3.75	77.37	0.16	-	75.12	2.41	1.34	0.05
Furniture & Fixture	365.86	1.54	-	108.45	258.95	260.46	29.04	-	108.39	181.12	77.83	105.40
Office Equipment & Machinery	104.21	18.19		87.52	34.88	91.97	4.5	-	87.52	8.95	25.93	12.24
Plant & Machinery	209.36	-	-	35.44	173.92	117.72	14.7	-	35.44	97.03	76.89	91.64
Vehicles	454.09	36.17	-	140.21	350.05	304.35	50.4	-	140.20	214.51	135.54	149.74
Land at Sitarganj	5,126.59	-	-	5,126.59	-	-	-	-		-	-	5,126.59
Total (A)	**7,287.56**	**57.35**	**-**	**5,573.33**	**1,771.58**	**949.83**	**115.67**	**-**	**446.67**	**618.83**	**1,152.75**	**6,337.73**
Intangible Assets												
Computer Software	423.77	0.68	-	380.02	44.43	363.00	9.70	-	358.97	13.73	30.70	60.77
Goodwill	-	-	-		-	-				-	3,182.62	3,182.62
Total (B)	**423.77**	**0.68**	**-**	**380.02**	**44.43**	**363.00**	**9.70**	**-**	**358.97**	**13.73**	**3,213.32**	**3,243.39**
Total (A+B+C)	**7,711.33**	**58.03**	**-**	**5,953.35**	**1,816.01**	**1,312.83**	**125.37**	**-**	**805.64**	**632.56**	**4,366.08**	**9,581.12**

b) Capital Work in Progess

The changes in the carrying value of capital work-in-progress for the year ended 31 March 2019 are as follows:

Particulars	Gross Block				
	As at 01.04.2018	Addition during the year	Sale	Adjustment	As at 31.03.2019
Gross Amount	423.12	-	-	-	423.12

* Vehicles are taken on finance lease; monthly installments are paid as per agreed terms and conditions.

(i) Contractual obligations Refer note 37(b) for disclosure of contractual commitments for the acquisition of investment properties.

(ii) Capitalised borrowing cost The borrowing costs capitalised during the year ended 31 March 2019 was Nil (31 March 2018: Nil)

CHD DEVELOPERS LTD.

Notes to consolidated financial statements for the year ended March 31, 2019

3(ii)

a) PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORKING IN PROGRESS, INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

The changes in the carrying value of property, Plant and Equipment for the year ended 31 March 2018are as follow:

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2017	Addition during the year	Sale/ Adjustment	As at 31.03.2018	As at 01.04.2017	For the Period	Sale/ Adjustment	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Tangible Assets										
Building	950.03	-	-	950.03	81.12	16.85	-	97.96	852.06	868.91
Computers	77.42	-	-	77.42	77.37	-	-	77.37	0.04	0.04
Furniture & Fixture	364.87	0.99	-	365.86	220.99	39.47	-	260.46	105.40	143.88
Office Equipment & Machinery	101.65	2.56	-	104.21	84.72	7.25	-	91.97	12.24	16.93
Plant & Machinery	209.37	-	-	209.37	100.51	17.21	-	117.72	91.65	108.86
Vehicles	417.96	50.09	13.96	454.09	265.96	46.64	8.24	304.35	149.74	152.00
Land at Sitarganj	5,126.59	-	-	5,126.59	-	-	-	-	5,126.59	5,126.59
Total (A)	**7,247.88**	**53.64**	**13.96**	**7,287.56**	**830.65**	**127.42**	**8.24**	**949.83**	**6,337.73**	**6,417.23**
Intangible Assets										
Computer Software	380.02	43.75	-	423.77	286.73	76.27	-	363.00	60.77	93.29
Total (B)	**380.02**	**43.75**	**-**	**423.77**	**286.73**	**76.27**	**8.24**	**363.00**	**60.77**	**93.29**
Goodwill	-	-	-	-	-	-	-	-	3,182.62	3,182.62
Total (C)	-	-	-	-	-	-	-	-	**3,182.62**	**3,182.62**
Intangible Assets under Development	28.75	15.00	43.75	-	-	-	-	-	-	28.75
Total (D)	**28.75**	**15.00**	**43.75**	**-**	**-**	**-**	**-**	**-**	**-**	**28.75**
Total (A+B+C+D)	**7,656.65**	**112.39**	**57.71**	**7,711.33**	**1,117.38**	**203.69**	**16.49**	**1,312.83**	**9,581.12**	**9,721.89**

b) Capital Work in Progess

The changes in the carrying value of capital work-in-progress for the year ended 31 March 2018 are as follows:

-

Description	Gross block			
	As at 01.04.2017	Addition	Disposal	As at 31.03.2018
Gross Amount	**423.12**	-	-	**423.12**
Less: amount related to investment property	-	-	-	-
Net amount related to property, plant and equipment	**423.12**	-	-	**423.12**

* Vehicles are taken on finance lease; monthly installments are paid as per agreed terms and conditions.

(i) Contractual obligations Refer note 37(b) for disclosure of contractual commitments for the acquisition of investment properties.

(ii) Capitalised borrowing cost The borrowing costs capitalised during the year ended 31 March 2018 was Nil (31 March 2017: Nil)

Notes to consolidated financial statements for the year ended March 31, 2019

(Amount in Lakhs, unless otherwise stated)

4. Investments (Non Current)

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Long Term, Unquoted investments		
Investment in Immovable property	4,072.66	4,072.66
Total	**4,072.66**	**4,072.66**

Particulars of investments held in subsidiaries with respect to percentage of shareholding

Name of Entity	Principal place of business	Proportion of ownership (%) as at 31 March, 2019	Proportion of ownership (%) as at 31 March, 2018
In Equity Shares of wholly owned Subsidiary Companies :-*			
CHD Infra Projects Private Limited	India	100%	100%
CHD Facility Management Private Limited	India	100%	100%
Delight Spirits Private Limited	India	100%	100%
Empire Realtech Private Limited	India	100%	100%
Golden Infracon Private. Limited	India	100%	100%
International Infratech Private Limited	India	100%	100%
In Equity Shares of Subsidiary Companies :-*			
CHD Blueberry Realtech Private Limited***	India	20%	20%
CHD Elite Realtech Private Limited***	India	80%	80%
CHD Hospitality Private Limited **	India	0.29%	0.29%

^ All the investment in equity shares of subsidiaries, associates are measured as per Ind AS 27 'Separate Financial Statements'.
# All equity shares of Rs.10 each unless otherwise stated
* Including Nominee shares held by the shareholders.
** 99.71% of the Share held by CHD Infra Projects Private Limited which is wholly owned Subsidiary of CHD Developers Limited.
*** 20.00% of the Share held by CHD Infra Projects Private Limited which is wholly owned Subsidiary of CHD Developers Limited.

5. Other Financial Assets

(₹ in lakhs)

Particulars	Non-current	
	As at 31 March, 2019	As at 31 March, 2018
(Unsecured, considered good unless otherwise stated)		
Security Deposits (Carried at fair value through amortized cost)	91.62	85.95
Doubtful	-	-
Others	5.70	-
Less : Impairment allowance for security deposits	-	-
Bank deposits (maturity more than 12 months)	270.34	
TOTAL	**367.66**	**85.95**

6. Deferred Tax Assets (Net)

Deferred Tax Assets for the Year ended 31st March 2019 has been provided on the estimated tax computation for the year.

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred Tax Assets	133.70	178.93
Total	**133.70**	**178.93**

Movement in Deferred tax assets/ (liabilities) (net) (₹ in lakhs)

Particulars	Balance Sheet		Statement of profit and loss	
	As at 31 March, 2019	As at 31 March, 2018	For the year ended 31 March 2019	For the year ended 31 March 2018
Deferred tax liabilities				
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	0.06	0.46	0.40	-
Gross deferred tax liability	0.06	0.46	0.40	-
Deferred tax assets				
DTA/(DTL)arising on account of Property, Plant & Equipments, Investment property & Other Intangible assets- Depreciation & Amortization	107.71	143.51	35.80	59.38
Provision for stock obsolescence	-	-	-	-
Provision for doubtful debts/ advances	-	-	-	-
Provision for retirement benefits	25.99	35.42	9.42	(31.23)
Provision for contingencies	-	-	-	-
Other timing differences	-	-	-	-
Gross deferred tax asset	133.70	178.93	45.22	- 28.15
Net deferred tax liability	**(133.64)**	**(178.46)**	**(44.82)**	**(28.15)**

Reflected in balance sheet as follows:

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax assets	133.70	178.93
Deferred tax liabilities	(0.06)	(0.46)
Deferred tax assets/ (liabilities), net	**133.64**	**178.48**

Notes to consolidated financial statements for the year ended March 31, 2019

Reconciliation of deferred tax assets/ (liabilities) (net):

(₹ in lakhs)

Particulars	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	(178.46)	(84.29)
Tax income /(expense) during the year recognized in profit/loss	43.52	98.07
Tax income /(expense) during the year recognized in OCI	1.31	(3.90)
Balance at the end of the year	**(133.62)**	**(178.46)**

7. Inventories

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
(Valued at cost, unless otherwise stated)		
Land, Plots and Construction Work in progress	31,994.86	31,322.78
Total	**31,994.86**	**31,322.78**

^Inventories have been pledged as security for borrowings, refer note 15 for details
*During the year ended 31 March 2019, the Company has inventorized borrowing cost of Rs 3074.89 Lakhs (31 March 2018:Rs 1775.66 lakhs) to cost of real estate project under development.

8. Trade Receivables

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured, considered good		
Others	327.73	298.11
Total	**327.73**	**298.11**

Break up of trade receivables : (₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Secured, considered good	-	-
Unsecured, considered good	327.73	298.11
Doubtful	-	-
Subsidiary companies	-	-
	327.73	**298.11**
Less : Impairment allowance for bad and doubtful debts	-	-
Total	**327.73**	**298.11**

9. Cash & Cash Equivalents

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash and Cash equivalents		
a) Cash in hand	38.30	79.87
	38.30	**79.87**
Balances with Banks		
.-in current Account	298.77	651.80
.-in deposits Account(with maturity for 3 months or less from the reporting date)	549.15	375.46
	847.92	**1,027.26**
Total	**886.22**	**1,107.13**

10. Other Bank balances

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Earmarked Bank Balances		
Unclaimed dividend account	3.18	5.80
Fixed Deposit with Banks *	628.68	1,227.66
(maturity exceeding 3 month but less than 12 months)		
Net Amount	**631.86**	**1,233.46**

-

*Other Bank balance include Rs. 3.18 Lacs (P.Y. 5.80 Lacs) of unclaimed dividend not available for use with the Company.
**Bank Deposit to the extent of Rs.4.87 Crores (P.Y.4.83 Crores) is towards deposit received from public.

11. Other Financial Assets

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured, considered good		
Carried at fair value through amortized cost		
Advance to employees	18.81	15.96
Loan & Advances to Related Parties		
Unsecured Considered good*		
Loan & Advances to Others		
Unsecured Considered good**	1,696.29	537.84
Others		
Unsecured considered good	-	5.82
Interest Receivable on Deposit	6.74	
Total	**1,721.84**	**559.61**

*See note no.35 for related party transactions
**Margin Money given against bank guarantee in respect of projects in progress, Statutory & Other Payables

CHD
DEVELOPERS LTD.

Notes to consolidated financial statements for the year ended March 31, 2019

12. Other Current Assets

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Advances recoverable in cash or kind		
Unsecured considered good*	24,118.37	16,678.49
Considered doubtful		-
Total	**24,118.37**	**16,678.49**

*Includes Advances to Contractor, Suppliers, Mob. Advances and duties/taxes etc.

13. Share Capital

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Authorized shares		
177,500,000 (31 March 2018: 117,500,000) Equity Shares of Rs.2/- each	3,550.00	3,550.00
Issued, subscribed and fully paid-up shares	-	
128,592,286 (31 March 2018: 113,592,286) Equity Shares of Rs.2/- each fully Paid up	2,571.85	2,571.85
Total issued, subscribed and fully paid-up share capital	**2,571.85**	**2,571.85**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Particulars	As at 31 March, 2019	As at 31 March, 2018
	No. of Shares	No. of Shares
At the beginning of the period	128,592,286	113,592,286
Issued During the year	-	15,000,000
Outstanding at the end of the period	**128,592,286**	**128,592,286**

b. Terms/rights attached to equity shares

i) The company has only one class of equity shares having a par value of Rs.2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

ii) During the year ended 31st march 2019 the amount per share final dividend for distribution to equity shareholder is NIL per equity share of Rs. 2 each (P.Y. final dividend : Nil per Share).

iii) 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 shareholders.

c. Details of shareholders holding more than 5% shares in the holding company

Equity shares of Rs.2 each fully paid	As at 31 March, 2019	As at 31 March, 2018
	No. of Shares and % holding	No. of Shares and % holding
R.K. Mittal	21,583,550	21,583,550
	16.78%	16.78%
Gaurav Mittal	12,377,200	12,377,200
	9.63%	9.63%
Ruchie Mittal	13,500,000	13,500,000
	10.50%	10.50%
Anchal Mittal	6,060,000	6,060,000
	4.71%	4.71%
Radha Mittal	5,739,950	5,739,950
	4.46%	4.46%
Capital Institute of Competition Training Private Limited	15,985,115	15,985,115
	12.43%	12.43%
Ashish Rameshchandra Kacholia	7,250,000	7,250,000
	5.64%	5.64%
Bengal Finance & Investment Pvt Ltd	7,250,000	7,250,000
	5.64%	5.64%

d) Aggregate number of shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the date 31 March 2019 is Nil.

e) Shares bought back during the financial year 2014-15 to 2018-19

Nil (during FY 2013-14 to 2017-18: Nil) equity shares of Rs. 2 each bought back pursuant to Section 68, 69 and 80 of the Companies Act,2013.

Notes to consolidated financial statements for the year ended March 31, 2019

14. Other Equity

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
General Reserve		
As per last Balance Sheet	42.75	42.75
Add: Transfer from Profit & Loss Account	-	-
Closing Balance	**42.75**	**42.75**
Share Warrant	**1,633.50**	**1,633.50**
Capital Reserve	-	-
Securities Premium Reserve		
As per Last Balance Sheet	3,533.63	1,655.63
Addition during the year	-	1,878.00
	3,533.63	**3,533.63**
Profit and Loss Account		
As per last Balance Sheet	8,664.89	8,546.64
Add: Adjustment due to consolidation	0.75	(11.41)
Profit for the year	53.20	123.96
	8,718.84	**8,659.19**
Less: Appropriations		
Proposed Dividend on Equity shares	-	-
Less: Transition impact of Revised IND AS-115	(323.57)	-
P.Y. Income Tax Adjustment	(10.24)	5.70
Net surplus in the statement of profit and loss	**8,385.03**	**8,664.89**
Other comprehensive income		
As per Last Balance Sheet	1.95	(5.93)
Remeasurement of post employment benefit obligation	3.42	7.88
	5.37	**1.95**
Total Reserves and Surplus	**13,600.28**	**13,876.72**

15. Long-term borrowings

(₹ in lakhs)

	Long Term Borrowings		Short Term Borrowings	
Particulars	**As at 31 March, 2019**	**As at 31 March, 2018**	**As at 31 March, 2019**	**As at 31 March, 2018**
SECURED LOANS				
A) Term Loans				
From Bank	12,822.34	6,718.77	3,533.82	385.48
From Others	1,765.42	3,087.37	1,285.00	128.56
B) Vehicle Loans	27.17	19.71	16.25	12.92
C) Bank Overdraft & Current Account	2,222.85	5,624.79	1,373.35	1,498.04
UNSECURED LOAN				
A) Deposits				
- From Public	125.28	128.76	2,681.03	2,034.15
- From Shareholders	83.32	59.36	620.28	1,053.28
	17,046.38	**15,638.77**	**9,509.72**	**5,112.43**
The above amount includes				
Secured borrowings	16,837.78	15,450.65	6,208.41	2,025.00
Unsecured borrowings	208.60	188.12	3,301.31	3,087.43
Net amount	**17,046.38**	**15,638.77**	**9,509.72**	**5,112.43**

Term Loans

Repayment terms (excluding current maturities) and security for the outstanding long term borrowings as on 31st March, 2019

From Banks

i) Facility of Rs. 3850.40 lac with interest rate @ 11.50%, balance amount is repayable in 5 equal Quarterly installments starting from April 2020. The Loan is secured by way of :
(a) First & Exclusive charge by way of equitable mortgage on land and building of Golf Avenue 106, CHD Vann & CHD Resortico Project.
(b) First charge by way of hypothecation of receivables, Current assets and movable fixed assets of Golf Avenue 106, CHD Vann & CHD Resortico Project.
(c) Personal Guarantee of two directors of the company .
(d) Corporate Guarantee of one subsidiary companies.

ii) Facility of Rs. 1146.33 Lac with interest rate @ 12.75%, balance amount is repayable in 10 Monthly installments starting from April 2020. The Loan is secured by way of :
(a) Equitable mortgage of land and building of M/s. International Infratech Pvt. Ltd. Situated at Sector-109, village Chauma, Gurgaon
(b) First & Exclusive charge on sold and unsold receivables of commercial project " CHD Eway Towers" and structure present and future.
(c) Personal Guarantee of two directors of the company.
(d) Corporate Guarantee of two subsidiary companies.

iii) Facility of Rs. 7825.60 Lac with interest rate @ 13.45%, balance amount is repayable in 18 Quarterly installments starting from April 2020. The Loan is secured by way of :
(a) Exclusive charge on land and building spread over 39.58 & 12.4 acres of affordable housing project at karnal.
(b) Exclusive charge over land of 1.4 acre and additional FSI at krishanlok Vrindavan Project.
(c) First & Exclusive charge on sold and unsold receivables of affordable project " CHD Green Park" and structure present and future.
(d) Personal Guarantee of one director of the company.

Notes to consolidated financial statements for the year ended March 31, 2019

Bank Overdrafts

i) Facility of Rs. 2222.85 Lac with interest rate @ 11.50%, balance amount is repayable in 5 equal Quarterly installments starting from April 2020. The Loan is secured by way of :
(a) First & Exclusive charge by way of equitable mortgage on land and building of Golf Avenue 106, CHD Vann & CHD Resortico Project.
(b) First charge by way of hypothecation of receivables, Current assets and movable fixed assets of Golf Avenue 106, CHD Vann & CHD Resortico Project.
(c) Personal Guarantee of two directors of the company .
(d) Corporate Guarantee of one subsidiary companies.

From Others

i) Facility of Rs.224.82 Lac with interest rate @ 17.35%, balance amount is repayable in 7 Monthly Installment starting from April, 2020. The Loan is secured by way of :
(a) Inventory of project "Lifestyle Prime floors, Lifestyle Grand floors and silver county villas" located at CHD City, Village Uchana, Sector 45, Karnal.
(b) An exclusive charge by way of hypothecation of scheduled receivables both present and future .
(c) Personal Guarantee of two directors of the company.

ii) Facility of Rs. 1540.60 Lac with interest rate @ 17.10%, balance amount is repayable in 14 Monthly Installment starting from April 2020.The Loan is secured by way of :
(a) An exclusive charge on project land (38.32 Acre) together with all building and structures thereon, both present and future at NH-1, Village Uchana, Sector-45, Karnal
(b) An exclusive charge by way of hypothecation of scheduled receivables both present and future .
(c) Personal Guarantee of two directors of the company .

Vehicle Loan

Vehicle loan Rs 35.00 Lac with interest rate @ 7.2641 is availed for car for period of three year and secured against hypothecation of vehicle.
Vehicle loan Rs.5.00 Lac with interest rate @ 8.71 is availed for car for period of three year and secured against hypothecation of vehicle.
Vehicle loan Rs.31.85 Lac with interest rate @ 8.50 is availed for car for period of three year and secured against hypothecation of vehicle.

DEPOSITS

a) The details of Interest on deposits are as follow:

Particulars	Interest Rate	
	Public	Shareholders
Repayable after 6 month	10.50%	10.50%
Repayable after 1 year	12.00%	12.00%
Repayable after 2 year	12.25%	12.25%
Repayable after 3 year	12.50%	12.50%

b) The maturity pattern of the Deposits are as follow:

(₹ in lakhs)

Particulars	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2021-22	Total
Shareholders Deposits	620.28	40.25	43.07	703.60
Public Deposits	2,681.03	70.75	54.53	2,806.31
Total	**3,301.31**	**111.00**	**97.60**	**3,509.91**

16. Other Non Current Liabilities

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Security Refundable	1,419.20	1,002.03
Others	-	925.74
Total	**1,419.20**	**1,927.77**

17. Employee Benefit Obligations

(₹ in lakhs)

Particulars	Non- current		Current	
	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
Provision for Employee Benefit				
Provision for Gratuity*	66.83	75.84	2.34	2.28
Provision for Leave Encashment*	23.46	27.18	1.35	1.79
Total	**90.29**	**103.02**	**3.69**	**4.07**

* For details on employee benefits, refer note 26

18. Deferred tax Liability

Deferred Tax Liability for the Year ended March 31, 2019 has been provided on the estimated tax computation for the year.

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred Tax Liability	0.06	0.46
Total	**0.06**	**0.46**

***for details refer note no. 6**

19. Trade Payables

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
1) Micro, Small and Medium Enterprises*	22.21	-
2) Amount Payable to Contractor/Suppliers/Others	1,989.01	1,810.47
Total	**2,011.22**	**1,810.47**

*Details of principal amount and interest overdue to Micro and Small Enterprises are as below. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes to consolidated financial statements for the year ended March 31, 2019

Particulars	As at 31st March, 2019	As at 31st March, 2018 (₹ in lakhs)
1) Principal amount due and remaining unpaid	22.21	-
2) Interest due on above and the unpaid interest	-	-
3) Interest paid	-	-
4) Payment made beyond the appointed day during the year	-	-
5) Interest due and payable for the period of delay	-	-
6) Interest accrued and remaining unpaid	-	-
7) Amount of further interest remaining due and payable in succeeding year	-	-
Total	**22.21**	**-**

20. Other Financial Liabilities

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
1) Security Deposit (Refundable)**	530.35	522.70
2) Advance Against Project	172.57	23.94
3) Interest accrued on Term Loan and Deposits	123.25	129.09
4) Unclaimed Dividend***	3.19	5.80
5) Other Payable*	16,881.32	18,404.11
Total	**17,710.68**	**19,085.64**

* Includes expenses payable, hold by project, Stale cheques & duties & taxes.
**Includes Retention Money from Contractor ,Supplier etc..
***Not due for credit to 'Investor Education and Protection Fund'

21. Other Current Liabilities

(₹ in lakhs)

	Current	
Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for employee benefit		
Advance Against Project	5,003.04	5,313.31
Total	**5,003.04**	**5,313.31**

22. Provisions

(₹ in lakhs)

	Current	
Particulars	As at 31 March, 2019	As at 31 March, 2018
	-	-
Other Provisions	10.89	11.20
Total	**10.89**	**11.20**

23. Income Tax Liabilities - Net

(₹ in lakhs)

	Current	
Particulars	As at 31 March, 2019	As at 31 March, 2018
Income Tax Liabilities-Net	66.80	85.64
Total	**66.80**	**85.64**

24. Revenue from operations

(₹ in lakhs)

Particulars	2018-19	2017-18
Sales of Commercial/Residential Flats, Shops, Houses and Plots	13,675.55	13,505.73
Common Maintenance Income	894.06	1,054.06
Total	**14,569.61**	**14,559.79**

24a. Other Incomes

(₹ in lakhs)

Particulars	2018-19	2017-18
Other Income	27.20	126.77
Interest Income	288.96	213.07
Other Non-Operating Income	399.30	99.74
Total	**715.47**	**439.58**

25. Construction Expenses

(₹ in lakhs)

Particulars	2018-19	2017-18
Construction Cost of land, plots, constructed properties, development rights	10,612.37	10,450.05
Total	**10,612.37**	**10,450.05**

Cost of Construction of projects

Basis of calculation

Cost of constructed is includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/

Construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

Notes to consolidated financial statements for the year ended March 31, 2019

26. Employee benefit expense

(₹ in lakhs)

Particulars	2018-19	2017-18
Salaries, wages and bonus	783.27	745.93
Contribution to PF & Other Funds	68.96	78.36
Staff welfare expenses	16.21	17.49
Total	**868.43**	**841.78**

EMPLOYEE BENEFIT OBLIGATIONS

a) Actuarial assumptions

For determination of the liability in respect of compensated absences, the Company has used following actuarial assumptions:

Particulars	2018-19	2017-18
a) Discounting Rate	7.80 P.A.	7.87 P.A.
b) Salary Escalation Rate	5.50 P.A.	5.50 P.A.

b) Demographic Assumptions Used to Determine the Defined Benefit

Particulars	2018-19	2017-18
a) Retirement Age	60 Years	60 Years
b) Mortality Table	IALM [2006 - 2008]	IALM [2006 - 2008]
c) Employee Turnover / Attrition Rate (%)		
18 to 30 Years	5.00	5.00
30 to 45 Years	3.00	3.00
Above 45 Years	1.00	1.00

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

c) Breakup of Actuarial gain/loss:

(₹ in lakhs)

Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income	2018-19	2017-18
Amount recognized in P&L, End of Period	17.25	25.47
Amount recognized in OCI, End of Period	(3.64)	(12.53)
Total Net Defined Benefit Cost/(Income)	**13.61**	**12.95**

d) Sensitivity analysis for gratuity liability:

(₹ in lakhs)

Sensitivity Analysis	2018-19	2017-18
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	69.17	78.12
Defined Benefit Obligation – Discount Rate +100 Basis Points	(7.74)	(8.91)
Defined Benefit Obligation – Discount Rate -100 Basis Points	9.10	10.49
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	69.17	78.12
Defined Benefit Obligation – Salary Escalation Rate +100 Basis Points	9.22	10.64
Defined Benefit Obligation – Salary Escalation Rate -100 Basis Points	(7.96)	(9.17)

*Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

e) Maturity Profile of Defined Benefit Obligation

(₹ in lakhs)

Expected Cash flows for the Next Ten Years	2018-19	2017-18
Year - 2018-2019	-	2.56
Year - 2019-2020	2.64	2.60
Year - 2020-2021	1.80	3.09
Year - 2021-2022	2.30	6.38
Year - 2022-2023/(P.Y.2023-2027)	4.12	5.43
Year - 2023 to 2024/(P.Y.2024-2028)	8.26	76.91
Year - 2025 to 2029	89.01	-
Total	**108.13**	**96.97**

f) Change in Defined Benefit Obligation

(₹ in lakhs)

Particulars	2018-19	2017-18
Defined Benefit obligation, beginning of period	78.12	92.68
Interest Cost on DBO	6.09	7.29
Net Current Service Cost	11.16	12.89
Actual Plan Participants' Contributions	-	-
Benefits Paid	(21.53)	(27.51)
Past Service Cost	-	5.29
Changes in Foreign Currency Exchange Rates	-	-
Acquisition /Business Combination / Divestiture	-	-
Losses / (Gains) on Curtailments / Settlements	-	-
Actuarial (Gain)/ Loss on obligation	(4.67)	(12.53)
Defined Benefit Obligation, End of Period	**69.17**	**78.12**

g) Net Defined Benefit Cost/(Income) included in Statement of Profit & Loss at Period-End

(₹ in lakhs)

Particulars	2018-19	2017-18
Service Cost	11.16	12.89
Net Interest Cost	6.09	7.29
Past Service Cost	-	5.29
Remeasurements*	(4.67)	(12.53)
Administration Expenses	-	-
(Gain)/ Loss due to settlements / Curtailments /Terminations / Divestitures		
Total Defined Benefit Cost/(Income) included in Profit & Loss	**12.59**	**12.95**

* OCI methodology is being adopted for the first time for March 2019 valuation.

Notes to consolidated financial statements for the year ended March 31, 2019

h) Analysis of Amount Recognized in Other Comprehensive (Income)/Loss at Period - End

(₹ in lakhs)

Particulars	2018-19	2017-18
Amount recognized in OCI, (Gain) / Loss Beginning	(12.53)	-
Remeasurements Due to :		
1.Effect of Change in Financial Assumptions	0.58	(4.40)
2.Effect of Change in Demographic Assumptions	-	-
3.Effect of Experience Adjustments	(5.25)	(8.12)
4.(Gain)/ Loss on Curtailments/Settlements	-	-
5.Return on Plan Assets (Excluding Interest)	-	-
6.Changes in Asset Ceiling	-	-
Total Remeasurements Recognized in OCI	(4.67)	(12.53)
Amount Recognized in OCI (Gain)/Loss, End of Period	**(17.20)**	**(12.53)**

i) Reconciliation of Balance Sheet Amount

(₹ in lakhs)

Particulars	2018-19	2017-18
Balance Sheet (Asset)/ Liability, Beginning of Period	60.30	92.68
True-up	-	-
Total Charge/ (Credit) Recognized in Profit and Loss	12.59	7.65
Total Remeasurements Recognized in OCI	(17.20)	(12.53)
Acquisition /Business Combination / Divestiture	-	-
Employer Contribution	-	-
Benefits Paid	(21.53)	(27.51)
Other Events	-	-
Balance Sheet (Asset)/Liability, End of Period	**34.16**	**60.30**

j) Current/ Non Current Bifurcation

(₹ in lakhs)

Particulars	2018-19	2017-18
Current liability	2.34	2.28
Non-Current liability	66.83	75.84
Net Liability	**69.17**	**78.12**

27. Finance costs

(₹ in lakhs)

Particulars	2018-19	2017-18
Interest & other Expenses	1,086.17	917.94
Unwinding of Interest	105.54	47.51
Total	**1,191.71**	**965.45**

28. Depreciation and amortization expenses

(₹ in lakhs)

Particulars	2018-19	2017-18
Depreciation of tangible assets	115.67	127.42
Depreciation of intangible assets	9.70	76.27
Total	**125.37**	**203.69**

29. Other expenses

(₹ in lakhs)

Particulars	2018-19	2017-18
Audit Fees	9.18	9.07
Advertisement & Sale Promotion Expenses	242.02	207.07
Bank charges	9.14	9.98
Commission & Brokerage	151.68	105.15
Corporate Social Responsibility Expense	15.00	55.00
Donation	11.21	91.04
General Expenses	398.01	526.11
Insurance	0.88	9.61
Interest on IBMS	14.40	12.69
Legal & Professional Expenses	180.05	259.86
Loss on Sale of Fixed Assets	-	1.71
Postage & Telephone Charges	87.75	77.33
Power Fuel & Water	592.62	566.45
Printing & Stationery	12.61	6.55
Rent Rates & taxes	430.41	270.53
Repair & Maintenance		
- Building	4.80	24.58
- Plant & Machinery	52.37	91.19
- Vehicles	22.09	13.30
- Others	19.52	36.33
Travelling Expenses	69.94	54.32
Total	**2,323.68**	**2,427.88**

30. Disclosures of Expenses

30a) Foreign Currency Transaction :

(₹ in lakhs)

Particulars	2018-19	2017-18
Consultancy Fees	-	8.12
Travelling Expenses	-	-
Seminar & Conference	-	3.65
Total	**-**	**11.77**

Notes to consolidated financial statements for the year ended March 31, 2019

30b) Payment to Auditor

(₹ in lakhs)

Particulars	2018-19	2017-18
A) As Auditor:		
Statutory Audit Fee	9.18	9.07
Total	**9.18**	**9.07**

31. Components of Other Comprehensive Income (OCI)

(₹ in lakhs)

Particulars	2018-19	2017-18
Re-measurement losses on defined benefit plans	4.73	11.78
Income tax effect	(1.31)	(3.90)
Total	**3.43**	**7.88**

32. Earnings per share (EPS)

(₹ in lakhs)

Particulars	2018-19	2017-18
Net profit/(loss) after tax as per Statement of Profit & Loss attributable to equity share holders	53.20	123.97
Weighted average number of equity shares outstanding for calculating:		
- Basic EPS		
Total number of equity shares outstanding at the beginning of the year (in lakhs)	1,285.92	1,135.92
Total number of equity shares outstanding at the end of the year (in lakhs)	1,285.92	1,285.92
Weighted-average number of equity shares (lakhs)	1,285.92	1,148.42
- Diluted EPS		
Weighted-average number of equity shares (lakhs)	1,285.92	1,185.92
Face value per Equity Share - Rs. 2		
Earning per share		
- Basic EPS	0.04	0.11
- Diluted EPS	0.04	0.10

33. Details of CSR Expenditure

(₹ in lakhs)

Particulars	2018-19	2017-18
a) Gross amount required to be spend by the Company during the year *	15.00	22.45
b) Amount spent during the year ended March 31, 2019		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	55.00

*The Company has require to spent Rs15.00 lacs in current financial year as per provision of section 135 of the Companies Act ,2013 read with schedule VII towards Corporate Social Responsibility (CSR) activities. But company is not able to spent any amount and reason for the same was disclosed in the directors report of the company.

Further Company has already spent Rs 55.00 Lacs in Previous year 2017-18 against the Rs. 22.45 lacs (P.Y.2017-18) and Rs. 28.56 lacs (P.Y. 2016-17)towards the CSR Activities.

34. Segment Reporting

In line with the provisions of Ind AS 108 - operating segments and basis the review of operations being done by the Board and the management, the operations of the Group fall under colonization and real estate business, which is India which is considered as a considered to be the only reportable segment. The Group derives its major revenues from construction and development of real estate projects and its customers are widespread. The Group is operating in single geographical segment.

35. Related Parties Disclosures:

As per Accounting Standard 18, "Related Parties Disclosures", the disclosure of transactions with the related parties are given below :

i) List of Related parties where control exists and related parties with whom transactions have taken place and relationships :

Related Parties	Nature of Relationship
1. Aadyant Education Private Limited 2. Capital Institute of Competition Training Private Limited 3. CHD Agro Products Private Limited 4. Divine Townships Private Limited	Significant Influence of Key Managerial Personnel
1. R. K. Mittal 2. Gaurav Mittal 3. Ruchi Mittal 4. Radha Mittal 5. Naresh Kumar Sharma 6. Ravinder Singh Kataria	Key Managerial Personnel & their Relatives

ii) Transactions during the year with the Related Parties :

(₹ in lakhs)

Nature of Transactions	Associate Company	KMP & their Relatives	Significant influence of KMP	Total
1. Loan & Advances				
-Given	-	-	**0.084**	**0.084**
	-	-	-	-
-Received	-	-	**383.59**	**383.59**
	-	-	-	-
2. Remuneration paid	-	**211.28**	**-**	**211.28**
	-	**(195.88)**	-	**(195.88)**

***Previous year figures have been given in (Parentheses)**

Notes to consolidated financial statements for the year ended March 31, 2019

iii) The above includes the following material transactions:-

(₹ in lakhs)

Transactions during the year	Name of the entity	2018-19	2017-18
Loan / Advances given	Aadyant Education Private Limited	-	-
	Capital Institute of Competition Training Private Limited	0.08	-
	Chd Skyone Developers Private Limited	-	-
	Divine Township Private Limited	-	-
	Horizon Realtech Private Limited	-	-
Loan / Advances received	Aadyant Education Private Limited	-	-
	Capital Institute of Competition Training Private Limited	0.08	-
	Chd Skyone Developers Private Limited	1.00	-
	CHD Retirement Townships Private Limited	380.50	-
	Divine Township Private Limited	1.00	-
	Horizon Realtech Private Limited	1.00	-

iv) The maximum Balance of the Related Parties are as follow:

(₹ in lakhs)

Name of the entity	2018-19	2017-18
Chd Skyone Developers Private Limited	1.00	1.00
CHD Retirement Townships Private Limited (till 30.09.2015)	(3.81)	534.83
Divine Townships Private Limited	-	1.00
Horizon Realtech Private Limited	(1.00)	1.00

v) The Subsidiary companies considered in the consolidated financial statements are:

Name of the Subsidiaries	Proportion of ownership interest(%)
1. CHD Blueberry Realtech Private Limited**	80.00%
2. CHD Infra Projects Private Limited*	100.00%
3. CHD Facility Management Private Limited*	100.00%
4. CHD Hospitality Private Limited #	0.29%
5. CHD Elite Realtech Private Limited**	80.00%
6. Delight Spirits Private Limited*	100.00%
7. Empire Realtech Private Limited*	100.00%
8. Golden Infracon Private Limited*	100.00%
9. International Infratech Private Limited*	100.00%

* Including Nominee shares held by the shareholders.

** Balance 20% of the Share held by CHD Infra Project Private Limited (Formerly Known as CHD Armaan Realtech Private Limited) Which is wholly owned Subsidiary of CHD Developers Limited, thereby in these financial statements, 100% consolidation is carried out by the management.

Balance 99.71% of the Share held by CHD Infra Project Private Limited, Which is wholly owned Subsidiary of CHD Developers Ltd, thereby in these financial statements, 100% consolidation is carried out by the management.

36. Operating Lease

The Breakup of the total future minimal lease Rental Expenses/ Income as per " IND AS-116" March 31, 2019 is as follow:

A. Lease Rental Expenses :

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
A) Not later than one year	64.97	137.24
B) Later than One year but not later than Five years	292.06	413.46
C) Later than Five Years	347.59	-
Total	**704.62**	**550.70**

B. Lease Rental Incomes :

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
A) Not later than one year	-	12.00
B) Later than One year but not later than Five years	-	48.00
C) Later than Five Years	-	12.00
Total	-	**72.00**

37. a) Contingent Liabilities & Commitments:

(₹ in lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
1. Claims against the company not acknowledged as debt *	21,421.80	2,913.24
2. Guarantee issued by the Banks on behalf of the Company	1,359.81	1,646.06
3. Corporate guarantee given to bank for providing loans / BG's to related Parties	14,023.74	1,104.18

* The Company has been advised that the demand is likely to be either delete or substantially reduced and accordingly no provision is considered necessary.

*The impact of pending litigation on financial position has been considered.

b) Capital and other commitments

Particulars	As at 31 March 2019	As at 31 March 2018
a. Capital commitments (for property, plant and equipment's and investment properties)	-	-
b) The Company has undertaken to provide continued financial support to certain subsidiaries/ associates as and when required.	-	-
c) Commitment regarding payments under development agreements with certain partnership firms where the Company or its subsidiaries are partner and certain third party entities with whom development agreements are in place.	-	-

The Company's & its Subsidaries principal financial liabilities comprise of borrowings, trade and other payables, security deposits received from dealers/customer. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, security deposits, trade receivables, loan to employee, other receivables and cash and cash equivalents that derive directly from its operations.

Notes to consolidated financial statements for the year ended March 31, 2019

The Company & its Subsidaries is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.The Audit Committee oversees how management monitors compliance with risk management policy and procedures and procedures, and reviews the adequacy of risk management framework in relation to the risk faced by the Company. The Audit Committee is assisted in its role by Internal Audit.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings, deposits and FVTPL investments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The analysis exclude the impact of movements in market variables on: the carrying values of post-retirement obligations and provisions.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

ii) Interest rate sensitivity

The Company is not exposed to the risk of changes in market interest rates, since the rate of interest for the loans availed by the Company is fixed rate interest.

iii) Price risk

Commodity price risk:

As the Company is not engaged in business of commodities which are traded in recognized commodity exchanges, commodity risk is not applicable.**Equity price risk:**

Since the Company has not made any investment in any listed/ unlisted securities during the year or at the year end, equity price risk is not applicable.

iv) Foreign Currency Risk

The Company has "Nil" international transactions and is not exposed to foreign exchange risk arising from foreign currency transactions.

Foreign Currency Transaction :

Particulars	31st March, 2019	31st March, 2018
Consultancy Expenses	-	-
Others	-	-
Borrowings in foreign currency	-	-
Total	-	-

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including balances lying with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts. Hence, no adjustment has been made on account of Expected Credit Loss (ECL) model.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits/ mutual funds with the Banks/ financial institutions with high credit ratings assigned by the international/ domestic credit rating agencies.

c) Liquidity risk

The Company's objective is to maintain a balance of continuity of funding and flexibility through the use of short term and long term loans and borrowings. The Company's management reviews the liquidity position on an ongoing basis.

The below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments:

Notes to consolidated financial statements for the year ended March 31, 2019

Maturity profile of financial liabilities
As at 31 March 2019

(₹ in lakhs)

Particulars	Borrowing current	Borrowing non-current	Trade payables	Other financial liabilities & Other Current Liabilities	Total
Carrying Amount	9,509.72	17,046.38	2,011.22	24,132.92	52,700.24
Contractual cash flows	9,509.72	17,046.38	2,011.22	24,132.92	52,700.24
Maturity profile					-
On Demand	-	-	-	-	-
1-12 months	9,509.72	-	2,011.22	24,132.92	35,653.86
1-2 years	-	6,729.20	-	-	6,729.20
2-5 years	-	10,317.18	-	-	10,317.18

As at 31 March 2018

(₹ in lakhs)

Particulars	Borrowing current	Borrowing non-current	Trade payables	Other financial liabilities & Other Current Liabilities	Total
Carrying Amount	5,112.43	15,638.77	1,810.47	24,398.96	46,960.62
Contractual cash flows	5,112.43	15,638.77	1,810.47	24,398.96	46,960.62
Maturity profile	-	-	-	-	-
On Demand	-	-	-	522.70	522.70
1-12 months	5,112.43	-	1,810.47	23,876.26	30,799.15
1-2 years	-	15,638.77	-	-	15,638.77
2-5 years	-	-	-	-	-

37 C. Capital management

a) For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.b) The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings, trade and other payables, less cash and cash equivalents.c) Credit Analysis & Research Limited has assigned the following credit rating.

1. CARE BBB (FD) for the Fixed Deposit Programme of the Company for an amount of Rs. 45.30 Crores.

2. CARE BBB for the long term bank facilities of Company amounting to Rs. 190.00 Crores.

(₹ in lakhs)

Particulars	31 March 2019	31 March 2018
Long term borrowings (Note 15)	17,046.38	15,638.77
Short term borrowings (Note 15)	9,509.72	5,112.43
Interest accrued on Long term debt (Note 19)	123.25	129.09
Less : Cash and cash equivalent (Note 9)	886.22	1,107.13
Less: Other Bank balances (Note 10)	631.86	1,227.66
Net debts*	**28,197.43**	**23,215.07**
Capital Components		
Equity	2,571.85	2,571.85
General reserve	42.75	42.75
Share Warrants	1,633.50	1,633.50
Capital Reserve	-	-
Securities Premium	3,533.63	3,533.63
Reserve and Surplus	8,390.42	8,666.86
Total Capital	**16,172.15**	**16,448.58**
Capital and Net debts	**44,369.58**	**39,663.65**
Gearing Ratio	**174%**	**141%**

*** Net debt = non-current borrowings + current borrowings + current maturities of non-current borrowings + interest accrued – cash and cash equivalents - Other bank balance except unclaimed dividends**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018

37 D (i) Fair value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Notes to consolidated financial statements for the year ended March 31, 2019

Particulars	Carrying Value		Amortized Value	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Financial Assets				
At Amortized Cost				
Investment	4,072.66	4,072.66	4,072.66	4,072.66
Other Non Current Financial Assets	367.66	85.95	367.66	85.95
Trade Receivables	327.73	298.11	327.73	298.11
Cash & Cash Equivalents	886.22	1,107.13	886.22	1,107.13
Other Bank Balances	631.86	1,233.46	631.86	1,233.46
Other Current Financial Assets	1,721.84	559.61	1,721.84	559.61
At Amortized Cost				
Financial Liabilities				
Borrowings	9,509.72	5,112.43	9,509.72	5,112.43
Trade Payables	2,011.22	1,810.47	2,011.22	1,810.47
Other Financial & Current Liabilities	22,713.72	24,398.95	22,713.72	24,398.95

The management assessed that cash and cash equivalent, trade receivables, trade payables, other liabilities, other assets and borrowings approximates their carrying amount at fair value.The fair value of Current Financial Assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following method and assumptions were used to estimate the fair value :
The fair value of unquoted investments are based on book-value as on the reporting date.

ii) Fair value hierarchy

Particular	31 March 2019		31 March 2018	
	Carrying Value	Amortized Value	Carrying Value	Amortized Value
Level - 3				
Financial asset				
Investments	4,072.66	4,072.66	4,072.66	4,072.66
Other Financial Assets	367.66	367.66	85.95	85.95
Financial Liabilities				
Borrowings	9,509.72	9,509.72	5,112.43	5,112.43

38. Remittance in Foreign Currencies for dividends: The Company has remitted Rs. Nil (March 31,2019 :Rs. Nil) in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittance, if any ,in foreign currencies on account of dividend have been made by/on behalf of non resident shareholders.

38a. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

39. Company has transferred Rs.1,19,045 /- (P.Y. Rs 92,492/-) to the Investor Education and Protection Fund during the F.Y. 2018-19. However, there is no amount pending to be transferred to Investor Education and Protection Fund as on 31.03.2019.

40. The accounts of certain trade receivables, trade payables, short term loans and advances and current liabilities are subject to confirmation / reconciliation and adjustment, if any. The management does not expect any material difference affecting the current year's financial statements.

In the opinion of the management, the current assets, loans and advances are expected to realize at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities have been adequately made in the books of accounts.

41. Donation include political contributions as under :

(₹ in lakhs)

Particulars	Year ending 31 March 2019	Year ending 31 March 2018
Other Donation	11.21	1.03
Bhartiya Janta Party	-	90.01

42 The financial statements were approved for issue by the board of directors on 29/06/2019

As per our report of even date

For AMRG & Associates
Chartered Accountants
Firm Registration Number: 004453N

CA. Madhu Mohan
Partner
Membership No.: 082938

For and on behalf of the Board of Directors

Rajinder Kumar Mittal
Chairman
DIN: 00015146

Gaurav Mittal
Managing Director
DIN: 00052968

Place: Gurugram
Date: 29/06/2019

Naresh Kumar Sharma
Chief Financial Officer

Ravinder Singh Kataria
Company Secretary

Form AOC-I (Part-A)
(Pursuant to first provisio to sub section (3) of section 129 read with rule 5 of Companies (Account) Rules,2014)

Statement Pursuant to Section 129 of the Companies Act, 2013
Financial details of Subsidiary Companies for the year ended 31 March, 2019

PART"A" SUBSIDIARIES

(Amount in Rs.)

S. No.	Particulars	CHD Facility Management Pvt. Ltd.*	Golden Infracon Pvt. Ltd.*	CHD Infra Projects Private Limited*	CHD Blueberry Realtech Pvt. Ltd**	CHD Elite Realtech Pvt. Ltd.**	CHD Hospitality Pvt. Ltd. #	Empire Realtech Pvt. Ltd.*	International Infratech Pvt. Ltd.*	Delight Spirites Pvt. Ltd.*
1	Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR
2	Financial Year ending date	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019	31.03.2019
3	Paid up Share Capital	500,000	500,000	1,000,000	500,000	500,000	35,000,000	600,000	9,154,550	500,000
4	Reserves & Surplus	(5,670,563)	(224,067)	22,639,497	(150,519)	(106,213)	(20,628,663)	178,703,714	81,553,759	(750,788)
5	Total Assets	141,754,219	169,083,282	43,110,589	161,282,211	46,297,537	421,013,311	180,219,485	169,608,213	671,913
6	Total Liabilities	141,754,219	169,083,282	43,110,589	161,282,211	46,297,537	421,013,311	180,219,485	169,608,213	671,913
7	Details of Investment (except in case of investment in subsidiary companies)									
	a) Shares	-	-	-	-	-	-	-	-	-
	b) Mutual Funds	-	-	-	-	-	-	-	-	-
	Total of Investment	-	-	-	-	-	-	-	-	-
8	Turnover (including other income)	127,138,525	-	884,613	-	-	8,252,850	43,846,025	-	-
9	Profit before Tax	3,519,229	(30,498)	497,528	(7,758)	(7,876)	(2,474,572)	538,853	(15,269)	(335,590)
10	Provision for Current & Deferred Tax	(233,590)	(1,245)	117,657	-	-	(635,757)	140,102	-	(53,223)
11	Profit after Tax	3,752,819	(29,253)	379,871	(7,758)	(7,876)	(1,838,815)	398,751	(15,269)	(282,367)
12	Proposed Dividend	-	-	-	-	-	-	-	-	-
13	% of Shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%

* Including shareholding of Nominee shareholders.
** Balance 20% of the Share held by CHD Infra Project Private Limited (Formerly Known as CHD Armaan Realtech Private Limited) Which is wholly owned Subsidiary of CHD Developers Limited, thereby in these financial statements, 100% consolidation is carried out by the management.
# Balance 99.71% of the Share held by CHD Infra Project Private Limited(Formerly Known as CHD Armaan Realtech Private Limited) Which is wholly owned Subsidiary of CHD Developers Ltd, thereby in these financial statements, 100% consolidation is carried out by the management.

Note:- 1) All Subsidiaries have commenced their operations.
2) No Subsidiaries has been liquidated or wound up during the Financial Year.
3) Part B is not applicable as the Company doesn't have any Associates Company or Joint Venture Company.

For and on behalf of Board of Directors

Place: Gurugram	**Rajinder Kumar Mittal**	**Gaurav Mittal**	**Naresh Kumar Sharma**	**Ravinder Singh Kataria**
Date: June 29, 2019	Chairman	Managing Director	Chief Financial Officer	Company Secretary
	DIN: 00015146	DIN: 00052968		

Notes

CHD
DEVELOPERS LTD.

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