



# HB ESTATE DEVELOPERS LTD.

Regd. Office : Plot No .31, Echelon Institutional Area, Sector - 32, Gurgaon -122001 (Haryana)  
Ph. : 0124-4675500, Fax : 0124-4370985, E-mail : info@hbestate.com  
Website : www.hbestate.com, CIN No. L99999HR1994PLC034146

HBEDL/ 2016  
September 21, 2016

Listing Centre

The Listing Department  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai-400 001

**Sub: - Furnishing of 22<sup>nd</sup> Annual Report of the Company.**

Dear Sir,


In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the 22<sup>nd</sup> Annual Report of the Company containing interalia the Notice for the 22<sup>nd</sup> Annual General Meeting, Directors Report, Auditors Report, Balance Sheet, Profit & Loss Account of the Company for the year ended as on 31<sup>st</sup> March 2016.

The Annual Report is also uploaded on the company's website [www.hbestate.com](http://www.hbestate.com).

You are requested to take the above information on record.

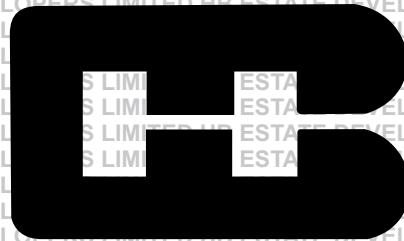
Thanking you,  
Yours faithfully,

For HB ESTATE DEVELOPERS LIMITED

  
Rajesh Singh Chahar  
Company Secretary

Encl: - As above

# 22nd Annual Report 2015 - 16



**HB ESTATE DEVELOPERS LIMITED**



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

**BOARD OF DIRECTORS**

**Mr. Lalit Bhasin** *Chairman*

**Mrs. Asha Mehra**

**Mr. Anil Goyal**

**Mr. J. M. L. Suri**

**Mr. Rajesh Jain**

**Mr. Luv Malhotra**

**AUDIT COMMITTEE**

Mrs. Asha Mehra *Chairperson*

Mr. J. M. L. Suri

Mr. Rajesh Jain

**CHIEF FINANCIAL OFFICER (CFO)**

Mr. Praveen Gupta

**COMPANY SECRETARY**

Mr. Rajesh Singh Chahar

**STATUTORY AUDITORS**

**M/s P. Bholusaria & Co.**

Chartered Accountants,  
26/11, Shakti Nagar,  
Delhi - 110 007

**REGISTERED OFFICE**

Plot No. 31, Echelon Institutional Area,  
Sector-32, Gurgaon - 122 001, Haryana  
Ph : 0124-4675500, Fax : 0124-4370985  
E-mail : corporate@hbestate.com  
CIN: L99999HR1994PLC034146

**WEBSITE**

www.hbestate.com

**REGISTRAR & SHARE TRANSFER AGENT**

**RCMC Share Registry Pvt. Ltd.**

B-25/1, First Floor  
Okhla Industrial Area, Phase-IIInd, New Delhi-110020  
Ph : 011-26387320, 26387321, 26387323  
Fax : 011-26387322  
E-mail : shares@rcmcdelhi.com  
Website: www.rcmcdelhi.com

**CONTENTS**

Notice .....	2
Directors' Report .....	5
Management Discussion and Analysis .....	17
Report on Corporate Governance .....	18
Auditors' Report .....	22
Balance Sheet .....	24
Statement of Profit & Loss .....	24
Cash Flow Statement .....	25
Notes on Accounts .....	26
Consolidated Financial Statements .....	34





## HB ESTATE DEVELOPERS LIMITED

### NOTICE IS HEREBY GIVEN THAT THE 22ND ANNUAL GENERAL MEETING OF HB ESTATE DEVELOPERS LIMITED WILL BE HELD AS FOLLOWS:

(Note: The Company is providing facility for voting by electronic means and the business of this meeting may be transacted through electronic voting system.)

**Day** : Tuesday

**Date** : 20th September, 2016

**Time** : 11.00 A.M.

**Place** : GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurgaon (Haryana) - 122 001.

(Please see route map provided in this Annual Report)

to transact the following business(es):

#### AS ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the year ended 31<sup>st</sup> March, 2016, including the Audited Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Jagmohan Lal Suri (DIN 00002373), who retires by rotation and being eligible offers himself for re-appointment.
- To re-appoint M/s. P. Bholusaria & Co., Chartered Accountants (Firm Registration No. 000468N) as the Statutory Auditors of the Company and to fix their remuneration.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditor) Rules, 2014 (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s P. Bholusaria & Co., Chartered Accountants, New Delhi (Firm Registration No.: 000468N), the retiring Auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at a remuneration to be fixed by the Board of Directors of the Company."

#### AS SPECIAL BUSINESS:

##### 4. Alteration of Memorandum of Association (MOA) of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to all the applicable laws and regulations including but not limited to SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the approval of the members of the Company be and is hereby granted for alteration of the Memorandum of Association (MOA) of the Company as follows:

- Title of Clause III (A) "MAIN OBJECTS OF THE COMPANY TO BE PURSUED ON ITS INCORPORATION" be replaced with the following:  
"THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:"
- Title of Clause III (B) "OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS" be replaced with the following:  
"MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE:"
- In Sub-clause 19 of Clause III (B) the words "provisions of Section 58A of the Companies Act 1956" be replaced with " applicable provisions of the Companies Act, 2013 or any other enactment in force"
- In Sub clause 24 of Clause III (B) the words " provisions of the Companies Act, 1956" be replaced with "applicable provisions of the Companies Act, 2013 or any other enactment in force"
- In Sub clause 34 of Clause III (B) the words " provisions of the Companies Act, 1956" be replaced with " provisions of the Companies Act, 2013 or any other enactment in force"
- In Sub clause 45 of Clause III (B) the words " Subject to Section 391 to 394 of the Act" be replaced with " Subject to the provisions of the Companies Act, 2013 or any other enactment in force"
- The Clause III (C), the OTHER OBJECTS of the Memorandum of Association of the Company be deleted.
- Clause IV: "The liabilities of the members is limited" be replaced with the following:  
"The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds and things and to sign all such forms, returns and other documents as may be necessary in order to give effect to the above resolution."

BY ORDER OF THE BOARD  
For HB ESTATE DEVELOPERS LTD.

Sd/-  
RAJESH SINGH CHAHAR  
COMPANY SECRETARY

Place : Gurgaon  
Date : 26.05.2016

#### NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON CANNOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business herein is annexed hereto and form part of this Notice.
- The Register of Members and Share Transfer Books of the Company shall remain closed from **14th September, 2016 to 20th September, 2016** (Both days inclusive).
- Under Section 205A of the Companies Act, 1956, the amount of Dividend remaining Unpaid or Unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 10,11,074/- (Rupees Ten Lacs Eleven Thousand Seventy Four Only) being the unpaid and unclaimed dividend amount pertaining to Final Dividend, 2008 on 26<sup>th</sup> October, 2015, to the Investor Education and Protection Fund of the Central Government being the Unpaid and Unclaimed Dividend amount pertaining to Final Dividend for the Financial Year ended 31<sup>st</sup> March, 2008.

The Ministry of Corporate Affairs (MCA) on 10th May, 2012 notified the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which is applicable to the Company. The objective of the IEPF Rules is to help the Shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2008 to 2013, as on the date of the last Annual General Meeting, on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investors Centre" on the website of the Company viz. [www.hbestate.com](http://www.hbestate.com)

- The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent namely, RCMC Share Registry Pvt. Ltd.
- Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
- Corporate Members are requested to send a duly Certified Copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
- Shareholders seeking any information with regard to Financial Statements are requested to write to the Company at least seven days before the date of the meeting so as to enable the management to keep the information ready.
- Members are requested to:

- Notify any change in their address to the Company including PIN CODE to the Registrar and Share Transfer Agent of the Company namely,

**RCMC Share Registry Pvt. Ltd.**  
**B-25/1, First Floor,**  
**Okhla Industrial Area, Phase-II,**  
**New Delhi – 110 020**  
**Phone: 011 – 26387320, 26387321, 26387323**  
**Fax: 011 - 26387322**  
**E-mail: [shares@rcmcldelhi.com](mailto:shares@rcmcldelhi.com)**

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

- Bring their copies of Annual Report with them at the meeting as the same will not be supplied again as a measure of economy.
- The Company is implementing the "Green Initiative" to enable electronic delivery of Notices / Documents and Annual Reports to the Shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL / CDSL will be deemed to be your registered email address for serving Notices / Documents including those covered under Section 136 of the Companies Act, 2013. The Notice of Annual General Meeting and the copies of Audited Financial Statements, Director's Report, Auditors Report etc. will also be displayed on the website of the Company, [www.hbestate.com](http://www.hbestate.com)

The Members holding Shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding Shares in physical mode are also requested to update their email addresses by writing to the Registrar and Share Transfer Agent of the Company at the address mentioned in 9(a) above quoting their folio number(s).

Copies of the Annual Report are being sent by electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report including Attendance Slip and Proxy Form are being sent by the permitted mode.

#### 11. Voting through electronic means:

- (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their votes by electronic means on all the resolutions proposed to be considered in this Annual General Meeting from a remote location ("Remote e-voting").
- (ii) The Company has engaged the services of Karvy Computershare Pvt. Ltd. ("Karvy") to provide the facility of Remote e-voting.
- (iii) The facility for voting through Physical Ballot Papers shall be made available at the meeting and members attending the meeting, who have not already cast their vote by Remote e-voting shall be able to exercise their right to vote at the meeting through Ballot Papers.
- (iv) The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share Capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 13th September, 2016**, may cast their vote by remote e-voting / at the meeting.
- (v) Any person who acquires Shares of the Company and becomes member of the Company after dispatch of the Notice and holding Shares as on the cut-off date i.e. 13th September, 2016 may obtain the login ID and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com). However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote.
- (vi) **The Remote e-voting period commences on 17th September, 2016 (09.00 A.M) and ends on 19th September, 2016 (05.00 P.M).** The Remote e-voting module shall be disabled by Karvy for voting thereafter.
- (vii) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. The Members who have cast their vote by Remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (viii) Ms. Jyoti Sharma (Membership No. 22578; C.P. No. 10196), Company Secretary in Whole-time Practice has been appointed as the Scrutinizer and Mr. Anuj Kumar Solanki (Membership No. 31746; C.P. No. 13132), Company Secretary in Whole-time Practice has been appointed as the alternate Scrutinizer to scrutinize the remote e-voting & polling process in a fair and transparent manner.
- (ix) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through Remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make, not later than three days of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.
- (x) The Company shall submit to the Bombay Stock Exchange Limited (BSE), within forty eight hours of the conclusion of the meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall also be placed on the website of the Company, [www.hbestate.com](http://www.hbestate.com) and on Karvy's website, <https://evoting.karvy.com> immediately after the declaration of results.
- (xi) In case of any queries pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website, <https://evoting.karvy.com> or call their Toll Free No. 1800-345-4001 for any further clarification.
- (xii) The instructions for availing the Remote e-voting facility indicating the process and manner of e-voting are given as hereunder.

#### ➤ In case a Member receives notice through e-mail from Karvy [for Members whose email IDs are registered with the Company / Depository Participants]:

- (a) Launch internet browser by typing the URL: <https://evoting.karvy.com>
- (b) Enter the login credentials (i.e. User ID and Initial Password provided by Karvy in e-mail). Your Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (c) After entering these details appropriately, click on "LOGIN".
- (d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character ( @, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (e) You need to login again with the new credentials.
- (f) On successful login, the system will prompt you to select the E-Voting Event Number for HB Estate Developers Limited.
- (g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- (h) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (j) You may then cast your vote by selecting an appropriate option and click on "Submit".
- (k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: [legal2015js@gmail.com](mailto:legal2015js@gmail.com) with a copy to Karvy at e-mail ID: [evoting@karvy.com](mailto:evoting@karvy.com). They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."

#### ➤ In case a Member receives Notice in physical form [for Members whose email IDs are not registered with the Company / Depository Participants]:

- (a) User ID and Initial Password as given in the e-voting notice sent along with the Annual Report.
- (b) Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.

12. All documents referred to in this Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 A.M to 5.00 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.
13. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013; the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available for inspection at the Annual General Meeting.
14. Details of Directors seeking Appointment / Re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] are as under:



**PROFILE OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING  
(Refer Item No. 2 of this Notice)**

<b>Name of the Director</b>	Mr. Jagmohan Lal Suri
<b>Directors Identification Number (DIN)</b>	00002373
<b>Date of Birth</b>	27th April, 1938
<b>Date of Appointment</b>	20th September, 1994
<b>Profile/ Expertise in Specific functional Areas.</b>	Mr. Jagmohan Lal Suri is an Engineer by profession. He headed the operations of a Swedish Multinational before his association with the HB Group. He brings with him decades of long experience in Corporate Administration. Mr. Suri is also a member of the Audit Committee and Nomination & Remuneration Committee and the Chairman of Stakeholders Relationship Committee, of the Board of Directors.
<b>Qualifications</b>	B.E
<b>List of Directorship in other Listed entities. (As on 31st March, 2016)</b>	1. HB Portfolio Limited 2. RRB Securities Limited
<b>Membership of Committee of the Board in other Listed entities. (As on 31st March, 2016)</b>	<b><u>Audit Committee</u></b> 1. HB Portfolio Limited 2. RRB Securities Limited <b><u>Stakeholder Relationship Committee</u></b> 1. RRB Securities Limited 2. HB Portfolio Limited <b><u>Corporate Social Responsibility Committee</u></b> 1. HB Portfolio Limited
<b>Shares held by the Director</b>	500 (Jointly with his wife)

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

Place : Gurgaon  
Date : 26.05.2016

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

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

**ITEM NO. 4:**

As per the provisions of Companies Act, 2013, the Memorandum of Association (MOA) of a Company shall state the Objects for which the Company is incorporated and any matter considered necessary in furtherance thereof It shall also state that the liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them. Further, any provision contained in the Memorandum shall, to the extent to which it is repugnant to the provisions of the Companies Act, 2013, become void, as the case may be. Therefore, Other Objects clause mentioned in the Memorandum of Association of the Company is repugnant to the provisions of Memorandum of Association under the Companies Act, 2013. Accordingly, the Board of Directors of the Company has decided to alter the existing Memorandum of Association of the Company in line with the provisions of the Companies Act, 2013 by making suitable changes thereto.

The Draft Memorandum of Association would also be available for inspection by the members at the Registered Office of the Company during normal business hours on all working days upto and including the date of the meeting.

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

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the resolution set out at Item No. 4.

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

Place : Gurgaon  
Date : 26.05.2016

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



## HB ESTATE DEVELOPERS LIMITED

### DIRECTORS' REPORT

#### To the Members,

Your Directors are pleased to present the 22<sup>nd</sup> Annual Report together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2016.

#### FINANCIAL RESULTS

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

PARTICULARS	(₹ in Lakhs)	
	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>Total Turnover</b>	<b>7014.49</b>	<b>6623.03</b>
<b>Gross Profit/ (Loss)</b>	<b>1747.30</b>	<b>1521.27</b>
<b>Add/ (Less) : Exceptional Items</b>	<b>37.90</b>	<b>-1023.60</b>
<b>Less :</b>		
(a) Depreciation	1504.66	1491.50
(b) Finance Cost	3050.14	3104.77
(c) Deferred Tax Charge	313.35	409.32
<b>Net Profit/(Loss)</b>	<b>-3082.95</b>	<b>-4507.92</b>
<b>Appropriations :</b>		
General Reserve	0	0
Proposed Dividend	0	0
Tax on Dividend	0	0
Balance Brought Forward	-10746.99	-3050.00
Addition on Account of Amalgamation	0	-3189.07
<b>Accumulated Profits</b>	<b>-13829.94</b>	<b>-10746.99</b>

#### DIVIDEND

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

#### PERFORMANCE REVIEW & OUTLOOK

The total income for the year under review was ₹ 7014.49 lakhs as against ₹ 6623.03 lakhs in the previous year.

The total turnover of the hotel unit of the Company, Vivanta By Taj, Gurgaon-NCR, for the financial year under review was Rs. 6747.45 lakhs as compared to ₹ 5774.97 lakhs during the previous year.

During the financial Year 2015-2016 the Company has reported higher Gross Profit amounting to ₹ 1747.30 lakhs compared to ₹ 1521.27 lakhs in the previous year. However Net Loss (after deduction of exceptional items, depreciation, finance cost and deferred tax charge) amounting to ₹ 3082.95 lakhs compared to ₹ 4507.92 lakhs in the previous year has been reported.

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

#### SCHEME OF ARRANGEMENT

The Board of Directors in their meeting held on 10th February, 2016 have approved a Composite Scheme of Arrangement ('the Scheme') between HB Estate Developers Limited ('the Company'), HB Stockholdings Limited and HB Portfolio Limited and their respective members and creditors under Sections 391 to 394 read with Sections 100 to 104 of the Companies Act, 1956 or any corresponding provisions of the Companies Act, 2013, subject to various approvals as may be required. The Appointed Date(s) in the Scheme are 01st April, 2015 to 03rd April, 2015.

The Company has filed the Draft Scheme along with required documents / information with the Bombay Stock Exchange Limited (BSE) Pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. - CIR/CFD/CMD/16/2015 dated November 30, 2015. Upon receipt of necessary observation letter from BSE, the Company shall file the said Scheme with the Hon'ble High Court of Punjab & Haryana at Chandigarh / National Company Law Tribunal (NCLT) or such other forum or authority, as may be designated. The Draft Scheme and other documents have been uploaded on the website of the Bombay Stock Exchange (BSE), [www.bseindia.com](http://www.bseindia.com) and also on the Company's website, [www.hbestate.com](http://www.hbestate.com) having following web link, [www.hbestate.com/Investor Centre/Scheme of Arrangement](http://www.hbestate.com/Investor Centre/Scheme of Arrangement)

#### STATUTORY STATEMENTS

##### (i) Share Capital

The paid up Share Capital of the Company as on March 31, 2016 was Rs. 96,13,82,870 consisting of 1,61,38,287 Equity shares of Rs. 10 each and 80,00,000 Preference Shares of Rs. 100 each. During the year under review, the Company has not issued shares with differential rights for voting, dividend or otherwise nor granted stock options or sweat equity.

The Shareholding of Directors of the Company (including Promoter Director) is given in the Corporate Governance Report forming part of this report.

##### (ii) Number of meeting(s) of the Board

During the year under review, there were Five (5) Board Meetings. The details of the number of meetings of the Board held during the financial year 2015-2016 forms part of Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

##### (iii) Public Deposits

The Company has not accepted any Deposits from the Public under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

##### (iv) Significant and other material orders passed by the regulators or courts

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

##### (v) Particulars of Loans, Guarantees or Investments

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

##### (vi) Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rules 8 of the Companies (Accounts) Rules 2014 in respect of conservation of energy and technology absorption are not applicable to your Company.

During the year under review, foreign exchange earnings were ₹ 2398.06 lakhs. The foreign exchange outgo during the said period was ₹ 5.15 lakhs towards payment of Professional and Technical fees and ₹ 67.51 lakhs towards advertisement and other expenses.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to sub-section (3) (c) & (5) of Section 134 of the Companies Act, 2013, it is hereby stated that:

- in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2015-2016 and of the profit or loss for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual financial statements for the year ended 31<sup>st</sup> March, 2016, have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and operating effectively;
- that system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

##### (i) Subsidiaries

The Company does not have any Subsidiary and no Company has become or ceased to be Company's Subsidiary during the year under review.

The Board of Directors has approved a Policy for Determining Material Subsidiaries in compliance with the provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Policy has been uploaded on the website of the Company, [www.hbestate.com](http://www.hbestate.com) having following web link, [www.hbestate.com/Investor Centre/Corporate Governance](http://www.hbestate.com/Investor Centre/Corporate Governance)

##### (ii) Joint Ventures

The Company is not having any Joint Venture business and no Company has become its Joint Venture during the year under review.

##### (iii) Associate Companies

In terms of Sec 2(6) of the Companies Act, 2013, Parsvnath HB Projects Pvt. Ltd. is the Associate Company. A separate statement containing the salient features of the Financial Statement of the Company's Associates is being provided in Form AOC-1.

#### MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

As required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis Report; a Report on the Corporate Governance together with the Compliance Certificate from the Company's Statutory Auditor's confirming compliance(s) forms an integral part of this report.

#### VIGIL MECHANISM - WHISTLE BLOWER POLICY

In terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company, [www.hbestate.com](http://www.hbestate.com) and the web link for the same is [www.hbestate.com/Investor centre/Corporate Governance](http://www.hbestate.com/Investor centre/Corporate Governance).

#### RELATED PARTY TRANSACTIONS

The Related Party Transactions that were entered during the financial year under review were on arm's length basis and were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company during the year under review. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Board of Directors, on the recommendation of the Audit Committee, has approved a Policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules made there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The





## HB ESTATE DEVELOPERS LIMITED

Policy on Related Party Transactions has been uploaded on the website of the Company, [www.hbestate.com](http://www.hbestate.com) having following web link, [www.hbestate.com/Investorcentre/CorporateGovernance](http://www.hbestate.com/Investorcentre/CorporateGovernance).

### **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Board of Directors has adopted the Code of Conduct for regulating, monitoring and reporting of trading by insiders and other connected persons, in compliance with Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code of Conduct lays down guidelines and procedures to be followed and disclosures to be made while dealing with the Shares of the Company, as well as the consequences of violation. The Code of Conduct has been formulated for prevention of Insider Trading and to maintain the highest standards of dealing in Company Securities.

### **PRESERVATION OF DOCUMENTS & ARCHIVAL POLICY**

In terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors in their meeting held on 10<sup>th</sup> February, 2016 has adopted a Policy for Preservation of Documents & Archival thereof, classifying them in two categories as follows:

- documents whose preservation shall be permanent in nature;
- documents with preservation period of not less than eight years after completion of the relevant transactions.

The said Policy has been uploaded on the website of the Company, [www.hbestate.com](http://www.hbestate.com) having following web link, [www.hbestate.com/InvestorCentre/CorporateGovernance](http://www.hbestate.com/InvestorCentre/CorporateGovernance).

### **RISK MANAGEMENT POLICY**

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

### **PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has zero tolerance for sexual harassment at workplace. The Board of Directors in their meeting held on 12<sup>th</sup> August, 2014 constituted the Internal Complaint Committee and adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Internal Complaint Committee comprises of following members:

- Mrs. Banmala Jha, Presiding Officer (Sr. V.P Legal – HB Stockholding Ltd.)
- Mrs. Madhu Suri, Member (Working in the Delhi Legal Services Authority as a Counsellor)
- Mr. Anil Goyal, Member (Director)
- Mr. Rajesh Singh Chahar, Member (Company Secretary)

The Company has not received any complaints on sexual harassment during the year under review.

### **INTERNAL CONTROL SYSTEMS**

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

### **INTERNAL FINANCIAL CONTROL SYSTEM**

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

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

### **AUDITORS**

#### **(i) Statutory Auditors**

M/s. P. Bholusaria & Co., Chartered Accountants, New Delhi (Firm Registration No.: 000468N), the Statutory Auditors of the Company shall hold office till the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for re-appointment. Observations of the Statutory Auditors are explained, wherever necessary, by way of Notes to the Financial Statements.

#### **(ii) Internal Auditors**

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

#### **(iii) Secretarial Auditor**

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. A.N. Kukreja of M/s. A. N. Kukreja & Co., to conduct the Secretarial Audit of the company for the financial year 2015-2016. The Report of the Secretarial Audit in Form MR-3 is annexed as "Annexure- I".

Observation(s) made by the Secretarial Auditor:

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

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

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Board has constituted a Corporate Social Responsibility Committee pursuant to Section 135 of the Companies Act, 2013. The Company has incurred average net loss for immediately preceding three financial years, hence the Company is not required to spend any amount towards CSR activities during financial year 2015-2016. The CSR Policy has been uploaded on the website of the Company - [www.hbestate.com](http://www.hbestate.com). Web link- [www.hbestate.com/Investorcentre/CSR](http://www.hbestate.com/Investorcentre/CSR) and is annexed as "Annexure - II" and forms part of the Director's Report.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Jagmohan Lal Suri, Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Rajesh Jain, Mrs. Asha Mehra and Mr. Luv Malhotra are Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013, and Regulations 16 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

### **NOMINATION AND REMUNERATION POLICY**

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

### **BOARD DIVERSITY**

The Board of Directors on the recommendations of the Nomination and Remuneration Committee has adopted a Policy on Diversity of Board of Directors in terms of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual performance evaluation of its own performance and of all the Directors individually as well as the evaluation of the working of Audit, Nomination & Remuneration and other Compliance Committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

### **PARTICULARS OF REMUNERATION**

The provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable, as there are no such employee who were drawing / in receipt of remuneration of prescribed amount during the period under review.

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors / Key Managerial Personnel (KMP) and Employees of the Company is furnished hereunder:

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

Sl. No.	Name of the Director/KMP	Designation	% Increase in remuneration in the financial year 2015-16	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Mr. Lalit Bhasin	Director (Non-executive)	Nil	Nil
2.	Mr. Anil Goyal	Director (Non-executive)	Nil	Nil
3.	Mr. Jag Mohan Lal Suri	Director (Non-executive)	Nil	Nil
4.	Mr. Rajesh Jain	Director (Non-executive)	Nil	Nil
5.	Mrs. Asha Mehra	Director (Non-executive)	Nil	Nil
6.	Mr. Luv Malhotra	Director (Non-executive)	Nil	Nil
7.	Mr. Praveen Gupta	Chief Financial Officer	Nil	
8.	Mr. Rajesh Singh Chahar	Company Secretary	Nil	

**Note:** Non of the Directors has received any remuneration other than sitting fee during the financial year 2015-16



3. The percentage increase in the median remuneration of employees in the financial year:  
**Nil**

4. The number of permanent employees on the rolls of the Company:  
**17 (seventeen) employees on the Company rolls and 223 employees on the rolls of Vivanta by Taj, Gurgaon (Hotel Unit of the Company) – operated by The Indian Hotels Company Limited.**

5. The explanation on the relationship between average increase in remuneration and Company performance:  
**Not Applicable**

6. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

Particulars	₹ (Lacs)
Remuneration of Key managerial Personnel during financial year 2014-15	33.19
Revenue from Operations	6800.18
Remuneration (as % of revenue)	0.49
Profit before tax (PBT)	(2769.61)
Remuneration(as % of PBT)	(1.20)

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

Particulars	As at 31st March, 2016	As at 31st March, 2015	Variation
Closing rate of Share (BSE) (Rs.)	7.30	9.51	(30.27)%
EPS (Rs.)	(19.10)	(27.93)	(46.23)%
Market Capitalization (Rs./Lacs)	1178.09	1534.75	(30.27)%
Price Earning ratio	(0.38)	(0.34)	(10.53)%

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

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

₹ In Lakhs

Particulars	Chief Financial Officer	Company Secretary
Remuneration	29.79	3.40
Revenue	6800.18	6800.18
Remuneration (as % of revenue)	0.44	0.05
Profit before tax (PBT)	(2769.61)	(2769.61)
Remuneration(as % of PBT)	(1.08)	(0.12)

10. The key parameters for any variable component of remuneration availed by the directors:  
**Not Applicable**

11. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:  
**None**

12. It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

#### **EXTRACT OF ANNUAL RETURN**

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

#### **ACKNOWLEDGMENTS**

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

**For and on Behalf of The Board  
HB ESTATE DEVELOPERS LIMITED**

**Place : Gurgaon  
Date : 26.05.2016**

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



**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016**

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

To,  
The Members of  
HB Estate Developers Limited.

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

Based on our verification of the **HB Estate Developers Limited's** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year ended on 31<sup>st</sup> March, 2016** complied with statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on **31<sup>st</sup> March, 2016** according to the provisions of:
    - (i) The Companies Act, 2013 (the Act) and the rules made there under;
    - (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
    - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
    - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
    - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
      - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
      - (d) 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;
      - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      - (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014\*;
      - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008\*;
      - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009\*;
      - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998\*.
    - (vi) The Other Laws applicable specifically to the Company (including its Project: Vivanta by Taj, Gurgaon) are:
      - (a) The Punjab Shops and Commercial Establishments Act, 1958 as adopted by State of Haryana; approval/Certificate for Fire Safety and NOCs from local bodies.
      - (b) Indian Boilers Act, 1923.
      - (c) Prevention of Food Adulteration Act, 1954.
      - (d) Food Safety and Standards Act, 2006.
      - (e) Legal Metrology Act, 2009 and applicable Rules.
      - (f) The Environment (Protection) Act) 1986.
      - (g) Air (Prevention and Control of Pollution) Act, 1981.
      - (h) Water (Prevention and Control of Pollution) Act, 1974.
      - (i) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- \*Foreign Exchange Management Act, 1999 and the rules and regulations at sub-para (iv), SEBI Regulations listed at sub-para (v) Serial Nos. (e), (f), (g), (h) and (i) above are not applicable to the Company for 2015-16 as there were no corporate decisions/actions attracting these regulations.

2. We have also examined the compliances with the applicable Regulations/Standards of the following:
  - (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- (ii) Secretarial Standards issued by the Institute of Company Secretaries of India.
3. During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Standards/Guidelines, etc. mentioned above subject to the following observations:
  - (a) *The Company did not have Managing Director or Chief Executive Officer or Manager and in their absence, a Whole- time Director, as required under Section 203 of the Companies Act, 2013.*
4. We further report that:
  - (a) The Board of Directors of the Company is duly constituted with all Non- Executive Directors, including a Woman Director and Independent Directors except Executive Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - (c) Majority decisions are carried through while dissenting members' views are captured and recorded as part of the minutes.
5. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. We further report that during the audit period, no major decisions having a bearing on Company's affairs in pursuance of the above referred laws, rules/regulations were taken except the following:

*Approval of a Composite Scheme of Arrangement by the Board of Directors between HB Stockholdings Ltd, HB Portfolio Ltd and HB Estate Developers Ltd and their respective members and creditors under Sections 391 to 394 read with Sections 100 to 104 of Companies Act, 1956 or any corresponding provisions of Companies Act, 2013.*

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

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

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

**Place : New Delhi  
Date : 26th May, 2016**

**Annexure 'A'**

To,  
The Members of  
HB Estate Developers Limited

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

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

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

**Place : New Delhi  
Date : 26th May, 2016**

## **CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

### **1. PREAMBLE:**

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

### **2. SHORT TITLE & APPLICABILITY:**

2.1 The CSR Policy of HB Estate Developers Limited (“the Company”) encompasses its philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.

2.2 This Policy shall apply to all CSR initiatives and activities taken up by the Company for the benefit of different segments of the Society.

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

3.1 The approach of the Company towards Corporate Social Responsibility would be oriented to identify the activities in response to felt societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner. The Company will provide financial assistance in the form of grant-in-aid assistance and corpus fund support etc. to support, supplement and improve the quality of life of different segments of the Society.

3.2 As a responsible corporate entity, the Company will consistently strive for opportunities to meet the expectation of its stake holders by pursuing the concept of sustainable development with focus on the social welfare activities.

3.3 The Companies Act, 2013 provides that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR. The Company will thus give preference to conduct CSR activities in the State of Haryana and such other place(s) in India wherein the Company has/will have its operations.

3.4 The Company may also collaborate with other Companies for undertaking CSR activities in such manner as the CSR Committee may decide in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

### **4. ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY:**

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

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

(viii) Contribution to the Prime Minister’s National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

(ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government;

(x) Rural development projects;

(xi) Such other matters as may be prescribed by the Central Government and approved by the Board of Directors / CSR Committee, as the case may be.

### **5. IMPLEMENTATION MECHANISM**

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

5.1 The assistance under CSR activities may be in the form of donation, grant-in-aid assistance and corpus fund support so as to create social impact and visibility.

5.2 While implementing the identified activities, time frames and milestones may be predefined.

5.3 The CSR projects may be based on fundamentals of sustainable development.

5.4 In line with the Companies Act, 2013, donation based assistance/ grants, should not be less than limits as may be prescribed by the Central Government/ Ministry of Corporate Affairs from time to time.

5.5 Proper screening, checks and balances shall be ensured while sanctioning the CSR proposals.

### **6. PLANNING AND COORDINATION**

6.1 The CSR Committee will prepare an annual plan for CSR activities for each year and will place the same before the Board of Directors for approval, as the case may be.

6.2 The focus of benefits will be in line with the activities mentioned in this document and as per programs, projects and schemes approved.

### **7. MONITORING AND EVALUATION**

7.1 Regular update on the CSR initiatives undertaken and / or to be undertaken shall be given to the CSR Committee. The Company may also depute one or more employees who shall monitor the CSR initiatives of the Company and report the same to the CSR Committee. The impact of the CSR activities may be quantified to the extent possible. The Chairman of CSR Committee shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the activities.

7.2 The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) as may be deemed expedient for the purpose of accomplishments of CSR activities.

### **8. ALLOCATION OF FUNDS**

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

### **9. REPORTING**

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

### **10. GENERAL**

10.1 The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company;

10.2 In case of any doubt with regard to any provision of this Policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee.

10.3 Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Companies Act, 2013, rules and regulations as may be prescribed by the Central Government, from time to time.

10.4 The CSR Committee reserves the right to modify, cancel, add, or amend the Policy at any time subject to the approval of the Board of Directors.



**NOMINATION AND REMUNERATION POLICY****1. PREAMBLE:**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company, this policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by the Nomination and Remuneration Committee (“NRC/Committee”) and approved by the Board of Directors of the Company at their meeting held on 10<sup>th</sup> February, 2015 in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement (effective from 01st October, 2014).

This Policy has been suitably amended and re-adopted by the Board of Directors in their meeting held on 10th February, 2016 in terms of Regulation 19 read with Part D of the Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) which came into force w.e.f 01st December, 2015.

**2. OBJECTIVE:**

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

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

**3. DEFINITIONS:**

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

“**Board**” means Board of Directors of the Company.

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

“**Key Managerial Personnel (KMP)**” means

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

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

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

**4. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT:****A. Appointment Criteria and Qualifications**

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

**B. Term / Tenure****(I) Managing Director/Whole-time Director:**

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

**(II) Independent Director:**

- a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- b) No Independent Director shall hold office for more than two consecutive terms of upto maximum of five (5) years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

**C. Evaluation**

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

**D. Removal**

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

**E. Retirement**

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

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

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

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

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

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

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

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

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

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

**8. REVIEW AND AMENDMENT:**

The Board of Directors on the recommendations of the Nomination and Remuneration Committee shall alter, amend or modify this Policy from time to time in line with the requirement of the SEBI Guidelines, applicable law, rules, regulations etc. which may be amended and applicable from time to time.

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

**As on the financial year ended on 31.03.2016**

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

**I. REGISTRATION & OTHER DETAILS:**

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

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

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

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

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

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

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

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) Indian									
a) Individual / HUF	77,54,473	3,32,808	80,87,281	50.11	80,87,273	0	80,87,273	50.11	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	1,84,160	37,63,187	39,47,347	24.46	39,47,355	0	39,47,355	24.46	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL: (A) (1)</b>	<b>79,38,633</b>	<b>40,95,995</b>	<b>1,20,34,628</b>	<b>74.57</b>	<b>1,20,34,628</b>	<b>0</b>	<b>1,20,34,628</b>	<b>74.57</b>	<b>0.00</b>
(2) Foreign									
a) NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL: (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>79,38,633</b>	<b>40,95,995</b>	<b>1,20,34,628</b>	<b>74.57</b>	<b>1,20,34,628</b>	<b>0</b>	<b>1,20,34,628</b>	<b>74.57</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	125	1000	1125	0.01	125	1000	1125	0.01	0.00
b) Banks / FI	0	195	195	0.00	0	195	195	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (B)(1):</b>	<b>125</b>	<b>1195</b>	<b>1320</b>	<b>0.01</b>	<b>125</b>	<b>1195</b>	<b>1320</b>	<b>0.01</b>	<b>0.00</b>



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies Corporate									
i) Indian	5,84,165	18,845	6,03,010	3.74	4,68,798	18,820	4,87,618	3.02	-0.72
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 1 lakhs	13,44,814	19,18,708	32,63,522	20.22	13,56,319	18,93,552	32,49,871	20.14	-0.08
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,12,895	0	1,12,895	0.70	2,53,864	0	2,53,864	1.57	0.87
c) Other (specify)									
i) Clearing Members	11,586	0	11,586	0.07	5,469	0	5,469	0.03	-0.04
ii) Non-Residents	49,711	61,615	1,11,326	0.69	44,052	61,465	1,05,517	0.65	-0.04
<b>SUB TOTAL (B)(2):</b>	<b>21,03,171</b>	<b>19,99,168</b>	<b>41,02,339</b>	<b>25.42</b>	<b>21,28,502</b>	<b>19,73,837</b>	<b>41,02,339</b>	<b>25.42</b>	<b>0.00</b>
<b>TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+(B)(2)</b>	<b>21,03,296</b>	<b>20,00,363</b>	<b>41,03,659</b>	<b>25.43</b>	<b>21,23,627</b>	<b>19,75,032</b>	<b>41,03,659</b>	<b>25.43</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>1,00,41,929</b>	<b>60,96,358</b>	<b>1,61,38,287</b>	<b>100.00</b>	<b>1,41,63,255</b>	<b>19,75,032</b>	<b>1,61,38,287</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters:**

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1.	Lalit Bhasin	74,14,473	45.94	0.00	74,14,473	45.94	0.00	0.00
2.	HB Stockholdings Limited	16,15,608	10.01	0.00	16,15,608	10.01	0.00	0.00
3.	Ayush Kapur	75,000	0.46	0.00	75,000	0.46	0.00	0.00
4.	Kanishk Kapur	75,000	0.46	0.00	75,000	0.46	0.00	0.00
5.	Manasvin Arora	75,000	0.46	0.00	75,000	0.46	0.00	0.00
6.	Mehar Arora	75,000	0.46	0.00	75,000	0.46	0.00	0.00
7.	Mamta Kapur	40,000	0.25	0.00	40,000	0.25	0.00	0.00
8.	RRB Master Holdings Limited	34,160	0.21	0.00	34,160	0.21	0.00	0.00
9.	HB Portfolio Limited	20,41,587	12.65	0.00	20,41,587	12.65	0.00	0.00
10.	Rima Arora	3,32,800	2.06	0.00	3,32,800	2.06	0.00	0.00
11.	RRB Securities Limited	2,56,000	1.59	0.00	2,56,000	1.59	0.00	0.00
	<b>Total</b>	<b>120,34,628</b>	<b>74.57</b>	<b>0.00</b>	<b>120,34,628</b>	<b>74.57</b>	<b>0.00</b>	<b>0.00</b>

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year	1,20,34,628	74.57	1,20,34,628	74.57
2.	At the end of the year	1,20,34,628	74.57	1,20,34,628	74.57

There is no change in the Promoter Shareholding

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

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	<b>CHL LIMITED</b>				
	At the beginning of the year	259984	1.61	259984	1.61
	At the end of the year			<b>259984</b>	<b>1.61</b>
2	<b>RELIGARE FINVEST LTD</b>				
	At the beginning of the year	87025	0.54	87025	0.54
	At the end of the year			<b>87025</b>	<b>0.54</b>
3	<b>SUJATA HOLDINGS PVT LTD</b>				
	At the beginning of the year	82033	0.51	82033	0.51
	At the end of the year			<b>82033</b>	<b>0.51</b>
4	<b>KAJAL MALHOTRA</b>				
	At the beginning of the year	26684	0.22	26684	0.22
	At the end of the year			<b>26684</b>	<b>0.22</b>
5	<b>INDUS PORTFOLIO PVT. LTD</b>				
	At the beginning of the year	22950	0.14	22950	0.14
	17/04/2015	Transfer	1025	0.01	23975
	24/04/2015	Transfer	1477	0.01	25452
	01/05/2015	Transfer	864	0.01	26316
	08/05/2015	Transfer	741	0	27057
	15/05/2015	Transfer	393	0	27450
	26/06/2015	Transfer	-8400	-0.05	19050
	10/07/2015	Transfer	-11000	-0.07	8050
	11/12/2015	Transfer	-50	0	8000
	01/01/2016	Transfer	-5000	-0.03	3000
	At the end of the year			<b>3000</b>	<b>0.02</b>
6	<b>AJAY KUMAR GUPTA</b>				
	At the beginning of the year	21484	0.13	21484	0.13
	28/08/2015	Transfer	-55	0	21429
	At the end of the year			<b>21429</b>	<b>0.13</b>
7	<b>AVANTHA HOLDINGS LIMITED</b>				
	At the beginning of the year	20790	0.13	20790	0.13
	At the end of the year			<b>20790</b>	<b>0.13</b>
8	<b>SHRI PARASRAM HOLDINGS PVT.LTD.</b>				
	At the beginning of the year	20551	0.13	20551	0.13
	10/04/2015	Transfer	-97	0	20454
	17/04/2015	Transfer	-101	0	20353
	24/04/2015	Transfer	8101	0.05	28454
	01/05/2015	Transfer	-218	0	28236
	08/05/2015	Transfer	-1004	-0.01	27232
	15/05/2015	Transfer	172	0	27404
	29/05/2015	Transfer	-47	0	27357
	05/06/2015	Transfer	72	0	27429
	12/06/2015	Transfer	67	0	27496
	19/06/2015	Transfer	283	0	27779
	26/06/2015	Transfer	-150	0	27629
	03/07/2015	Transfer	-353	0	27276
	10/07/2015	Transfer	-146	0	27130
	17/07/2015	Transfer	163	0	27293
	24/07/2015	Transfer	68	0	27361
	31/07/2015	Transfer	-67	0	27294
	07/08/2015	Transfer	115	0	27409
	14/08/2015	Transfer	-139	0	27270
	21/08/2015	Transfer	-161	0	27109
	28/08/2015	Transfer	126	0	27235





Sl. No.	For Each of the Top Ten Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	04/09/2015	Transfer	35	0	27270	0.17
	11/09/2015	Transfer	230	0	27500	0.17
	18/09/2015	Transfer	126	0	27626	0.17
	25/09/2015	Transfer	-40	0	27586	0.17
	02/10/2015	Transfer	21	0	27607	0.17
	09/10/2015	Transfer	16	0	27623	0.17
	16/10/2015	Transfer	-25	0	27598	0.17
	23/10/2015	Transfer	100	0	27698	0.17
	30/10/2015	Transfer	-72	0	27626	0.17
	06/11/2015	Transfer	50	0	27676	0.17
	13/11/2015	Transfer	-14	0	27662	0.17
	20/11/2015	Transfer	-67	0	27595	0.17
	04/12/2015	Transfer	500	0	28095	0.17
	11/12/2015	Transfer	200	0	28295	0.18
	18/12/2015	Transfer	500	0	28795	0.18
	25/12/2015	Transfer	-50	0	28745	0.18
	01/01/2016	Transfer	1025	0.01	29770	0.18
	08/01/2016	Transfer	52	0	29822	0.18
	15/01/2016	Transfer	-750	0	29072	0.18
	22/01/2016	Transfer	100	0	29172	0.18
	29/01/2016	Transfer	-700	0	28472	0.18
	05/02/2016	Transfer	-400	0	28072	0.17
	12/02/2016	Transfer	-1500	-0.01	26572	0.16
	19/02/2016	Transfer	-1975	-0.01	24597	0.15
	26/02/2016	Transfer	300	0	24897	0.15
	11/03/2016	Transfer	275	0	25172	0.16
	18/03/2016	Transfer	85	0	25257	0.16
	25/03/2016	Transfer	200	0	25457	0.16
	At the end of the year				25457	0.16
9	SWAVIN BUSINESS CONSULTANTS PRIVATE LIMITED					
	At the beginning of the year		18805	0.12	18805	0.12
	31/07/2015	Transfer	675	0	19480	0.12
	21/08/2015	Transfer	176	0	19656	0.12
	28/08/2015	Transfer	394	0	20050	0.12
	At the end of the year				20050	0.12
10	MULTIPLEX CAPITAL LTD					
	At the beginning of the year		16819	0.1	16819	0.1
	At the end of the year				16819	0.1
11	RAJESH KUMAR JAIN					
	At the beginning of the year		15000	0.09	15000	0.09
	At the end of the year				15000	0.09
12	PRADEEP KUMAR JAIN					
	At the beginning of the year		0	0	0	0
	Transfer		87025	0.54	87025	0.54
	At the end of the year				87025	0.54
13	LATHA					
	At the beginning of the year		0	0	0	0
	15/01/2016	Transfer	4887	0.03	4887	0.03
	22/01/2016	Transfer	2716	0.02	7603	0.05
	29/01/2016	Transfer	1833	0.01	9436	0.06
	05/02/2016	Transfer	4807	0.03	14243	0.09
	12/02/2016	Transfer	3203	0.02	17446	0.11
	19/02/2016	Transfer	2424	0.02	19870	0.12
	11/03/2016	Transfer	510	0	20380	0.13
	At the end of the year				20380	0.13

**(v) Shareholding of Directors and Key Managerial Personnel:**

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

**V. INDEBTEDNESS:**

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,80,09,52,373	1,30,67,25,000	NA	3,10,76,77,373
ii) Interest due but not paid	NIL	NIL	NA	NIL
iii) Interest accrued but not due	2,06,43,589	47,17,024	NA	2,53,60,613
<b>Total (i+ii+iii)</b>	<b>1,82,15,95,962</b>	<b>1,31,14,42,024</b>	<b>NA</b>	<b>3,13,30,37,986</b>
Changes in Indebtedness during the financial year				
• Addition	NIL	31,86,32,348	NA	31,86,32,348
• Reduction	13,25,99,243	8,18,67,712	NA	21,44,66,955
<b>Net Change</b>	<b>-13,25,99,243</b>	<b>23,67,64,636</b>	<b>NA</b>	<b>10,41,65,392</b>
Indebtedness at the end of the financial year				
i) Principal Amount	1,67,10,25,687	1,54,43,57,348	NA	3,21,53,83,035
ii) Interest due but not paid	NIL	NIL	NA	NIL
iii) Interest accrued but not due	1,79,71,032	38,49,312	NA	2,18,20,344
<b>Total (i+ii+iii)</b>	<b>1,68,89,96,719</b>	<b>1,54,82,06,660</b>	<b>NA</b>	<b>3,23,72,03,378</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A) Remuneration to Managing Director, Whole-Time Directors and / or Manager:**

(Amount in ₹)

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

**B) Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
1.	<b>Independent Directors</b>	<b>Mr. Rajesh Jain</b>	<b>Mrs. Asha Mehra</b>	<b>Mr. Luv Malhotra</b>	
	• Fee for attending board / committee meetings #	80,000	74,000	50,000	2,04,000
	• Commission	NIL	NIL	NIL	NIL
	• Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>80,000</b>	<b>74,000</b>	<b>50,000</b>	<b>2,04,000</b>
2.	<b>Other Non-Executive Directors</b>	<b>Mr. Lalit Bhasin</b>	<b>Mr. Anil Goyal</b>	<b>Mr. Jagmohan Lal Suri</b>	
	• Fee for attending board / committee meetings #	50,000	66,000	55,000	1,71,000
	• Commission	NIL	NIL	NIL	NIL
	• Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>50,000</b>	<b>66,000</b>	<b>55,000</b>	<b>1,71,000</b>
	<b>Total Managerial Remuneration</b>				<b>3,75,000</b>
	<b>Overall Ceiling as per the Act</b>	Sitting fee paid as per the provisions of the Companies Act, 2013.			

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

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

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

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Operating Results

The total income earned by the company during the year under review was ₹ 7014.49 lakhs (₹ 6623.03 lakhs in the previous year). During the year under review, the total expenses amounted to ₹ 9821.99 lakhs (₹ 9698.03 lakhs in the previous year).

### 2. Industry Structure and Developments

Overall global growth is projected to reach 3.5% and 3.8% in 2016 and 2017 respectively. The Economic Survey of the Government of India for 2016-2017 states that the growth in GDP for 2016-2017 is expected to increase to 8.1%. The global economy grew at a modest rate of 3.4% in 2015. The growth was fuelled primarily by the lower oil prices. Complex forces that affected global activity in 2015 are still shaping the economic outlook. These include medium and long term problems such as regional conflicts, and increases in terrorism.

The measures by the Government of India coupled with the global factors that affect the Indian economy should result in an increase in foreign tourist arrivals, positive sentiment within the business community, increased confidence to save and spend by the middle class and an overall improvement in the GDP in 2016-2017 as estimated by the government. The performance of the Travel and Tourism sector is a barometer of global sentiment and 2015 proved to be another moderately successful year for the Travel & Tourism sector.

### 3. Opportunities and Threats

The Indian hotel industry revenue in 2016-2017 is expected to increase by about 5% to 7%. This will largely be driven by incremental room occupancy and higher food and beverage income, coming from an increase in the number of diners and Average Spend Per Cover. In the future, economic growth will be driven by the megatrends of an expanding middle-class and falling inflation. This will boost real disposable income and consumer purchasing power. Domestic demand driven by both business and leisure travel is expected to grow by 7-8% during 2016-2017. The premium hotels category is expected to add more rooms to the supply side of the equation over the next five years. More projects are expected to come on line and be completed during this period. The increase in supply, if not offset by a corresponding increase in demand will put pressure on margins as a consequence of rising costs and falling Average Room Rates and lack of trained manpower are some of the challenges that will need to be addressed urgently. With a focus on infrastructure development, the travel and tourism industry is expected to receive a major boost.

The government has introduced e-Tourist Visa – a facility whereby foreign travelers to India can apply for a visa online. This has been welcomed by the Travel and Tourism industry. The Government of India has announced plans to restore twenty five Cultural World Heritage Sites. The restoration plans include landscaping, signage and interpretation centers, access for differently abled and improved facilities for visitors. These positive measures undertaken by the Government were undermined by the incidents affecting safety and security of women. Such incidents were widely publicized in the international press, which had an adverse impact on tourist travel to India. In spite of these setbacks, foreign tourist arrivals, during the calendar year of 2015 exhibited an accelerated growth, as compared to the foreign tourist arrivals of previous calendar year. Despite the recent positive aspects designed to stimulate demand, the Indian hotel industry has been facing increased supply of rooms in almost all locations across the country. As a result of this, the performance of the Indian hotel industry, in 2015-2016, remained subdued with a marginal increase in occupancies with Average Room Rates (ARRs) remaining flat.

### 4. Segment-wise Performance

The revenue from hotel operations, Real Estate and other income for the Financial Year ended 31<sup>st</sup> March, 2016, along with the previous year income is mentioned in the notes to the accounts and forms a part of the Balance Sheet.

### 5. Future Prospects and Outlook

The change in economic policies of the government will help in the growth of the tourism industry and may help in keeping up the demand for quality rooms. Government has taken various measures to simplify process of doing business with and in India. The Government is implementing new policies to boost the manufacturing sector and more and more new ventures are coming up in this sector resulting in increased demand for hotel rooms. Furthermore the emphasis on the Travel & Tourism industry by way of creating new tourism destinations is expected to result in stronger demand. Hence, the occupancies are expected to improve in 2016-2017.

### 6. Risks and concerns

Your Company aims to understand measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks. The company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.

### Risk Management Policy

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

### 7. Internal control system and their adequacy

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

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

### 8. Financial performance

- a) Share Capital: The Company's issued and subscribed share capital consists of Equity and Redeemable Preference Share capital. The paid-up share capital of the company as at 31<sup>st</sup> March, 2016, stood at ₹ 9613.82 lakhs which includes ₹ 8000.00 lakhs on account of ₹ 80,00,000 Redeemable Non-Convertible Non-Cumulative Preference Shares of 100/- each.
- b) Reserves and Surplus: During the year under review, the reserves and surplus stood at ₹ 98.90 lakhs as against ₹ 3181.85 lakhs during the previous year.
- c) Non-current assets & Non-current Liabilities: During the year under review, the non-current assets and non-current liabilities stood at ₹ 43127.50 lakhs and ₹ 32103.65 lakhs respectively against ₹ 44852.68 lakhs and ₹ 31517.58 lakhs respectively in the last year.
- d) Current Assets & Current Liabilities: During the year under review, the current assets and current liabilities stood at ₹ 3922.98 lakhs and ₹ 5206.73 lakhs respectively against ₹ 3396.67 lakhs and ₹ 3908.71 lakhs respectively in the last year.

### 9. Human Resources

The Company considers its employees to be the most valuable asset and is committed to providing a conducive work environment to enable each individual employee to fully realize his or her potential. The company has adequate human resources to maintain its various activities as of now. The company reviews its manpower requirement from time to time vis-à-vis current volume of activities and inducts suitable personnel as per requirement.

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

### 10. Cautionary Statement

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



**CORPORATE GOVERNANCE REPORT:**
**1. Company's philosophy on Corporate Governance**

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

**2. Board of Directors**

The Board of Directors of your company presently comprises of six (6) directors, all being non-executive out of which three are independent directors. Mrs. Asha Mehra is the woman Director on the Board of the Company. All Non-executive directors are proficient in their

respective fields and bring with them decades of rich and varied experience in Finance, Income Tax Laws, Money Market Operations, Hospitality, administration and management skills. Mr. Lalit Bhasin, Director (Promoter) is the Chairman and Non-Executive Director of the Company. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Board Meetings :**

Five (5) Meetings of the Board of Directors of the Company were held during the year under review, i.e. on - 30th May 2015, 11th August 2015, 03rd November 2015, 10th February, 2016 and 14th March, 2016.

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

Name of the Director	Category	Directorships in Other Public Companies as on 31.03.2016		Committee Membership held in Other Public Companies# as on 31.03.2016		No. of Board Meetings attended during the year	Whether Attended Last AGM	No. of Equity Shares held
		Director	Chairman	Member	Chairman			
Mr. Lalit Bhasin	Chairperson Non Executive	8	3	4	1	5	Yes	7414473
Mr. Anil Goyal	Non-Independent Non Executive	9	NIL	5	NIL	5	Yes	NIL
Mr. J.M.L. Suri	Non-Independent Non Executive	8	NIL	2	2	4	Yes	*500
Mr. Rajesh Jain	Independent Non-executive	NIL	NIL	NIL	NIL	5	Yes	NIL
Mrs. Asha Mehra	Independent Non-executive	1	NIL	NIL	NIL	5	Yes	NIL
Mr. Luv Malhotra	Independent Non-executive	2	NIL	1	NIL	5	Yes	NIL

\* Jointly held with his wife

# Comprises only Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies

The number of Committees (Audit Committee and Stakeholder Relationship Committee) of Public Limited Companies in which a Director is a Member / Chairperson is within the limits provided under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for all the Directors of the Company. The number of Directorships of each Independent Director is also within the limits as prescribed under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are related to each other as defined in Section 2(77) of the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company, [www.hbestate.com](http://www.hbestate.com)

In terms of the provisions of the existing Articles of Association of the Company, one-third of the Directors of the Company, who are liable to retire by rotation shall retire at every Annual General Meeting. Accordingly, Mr. Jagmohan Lal Suri, Director shall retire at the ensuing Annual General Meeting and who being eligible offers himself for re-appointment.

The details of Director seeking re-appointment at the ensuing Annual General Meeting have been furnished in the Notice of the ensuing Annual General Meeting.

**3. INDEPENDENT DIRECTORS MEETING:**

During the year under review, the Independent Directors met on 10th February, 2016, inter alia, to discuss and evaluate:

- the performance of Non-Independent Directors and the Board of Directors as a whole;
- the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.
- 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.

Further, the Company gave the presentation to the Independent Directors as a part of the familiarisation programme to make them aware about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such familiarisation programme have been uploaded on the website of the Company, [www.hbestate.com](http://www.hbestate.com) having following web link, [www.hbestate.com/InvestorCentre/Corporate Governance](http://www.hbestate.com/InvestorCentre/Corporate%20Governance).

All the Independent Directors were present at the Meeting.

**4. PERFORMANCE EVALUATION**

Pursuant to the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation exercise has been carried out by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance. The performance of Individual Directors has been evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company, Shareholders etc. The Performance of Chairperson was being evaluated in terms of leadership qualities, effective management, maintaining cordial relationship with Board, Shareholders, employees, etc.

The Independent Directors in their meeting held on 10th February, 2016 has done necessary performance evaluation of Non-Independent Directors and the Board of Directors as a whole; Chairman of the Company, taking into account the views of all the Directors. All the Independent Directors expressed their satisfaction with the performance of Non-Independent Directors, the Board of Directors as a whole and the Chairman of the Company.

The Nomination and Remuneration Committee in their meeting held on 10th February, 2016 has also carried out performance evaluation of Individual Directors, Board as a whole and its Committees. The performance evaluation of the Independent Directors had also been carried out by the entire Board of Directors (excluding the Director being evaluated). All the members of the Nomination and Remuneration Committee expressed their satisfaction with the performance evaluation of all Individual Directors being the Independent Directors, Non-Independent Directors, Chairperson, Board as a whole and its Committees.

**5. BOARD COMMITTEES:**

The terms of reference of the Board Committee(s), their composition and attendance of the respective members at the various Committee Meeting(s) held during the year 2015-2016 are set out below:

**(A) Audit Committee**

The Company has a duly constituted Audit Committee, as per the Clause 49 of the Listing Agreement and section 292A of the Companies Act, 1956. As per the provisions of Section 177 of the Companies Act, 2013 and revised Clause 49 of the erstwhile Listing Agreement the terms of the Audit Committee were revised by the Board of Directors' in their meeting held on 10<sup>th</sup> February, 2015. Now as per the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of the Audit Committee have been revised by the Board of Directors' in their meeting held on 10<sup>th</sup> February, 2016. The Audit Committee consists of three Non-Executive Directors as members, out of which two are Independent Directors. The Chairperson of the Audit Committee is an Independent Director. The Audit Committee comprises of following members:

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

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

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

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. The Audit Committee shall mandatorily review the following information:
  - a) Management discussion and analysis of financial condition and results of operations;
  - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses; and
  - e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - f) Statement of deviations
    - (i) Quarterly statement of deviation(s) including Report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
    - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)
21. The Audit Committee shall also have powers, which should include the following:
  - a) To investigate any activity within its terms of reference.
  - b) To seek information from any employee.
  - c) To obtain outside legal or other professional advice.
  - d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
  - e) To consider and act on any matters as included under SEBI (Listing Obligations and Disclosure Requirements) 2015 and/or as may be so included from time to time, whether provided here in above or not.
  - f) To deal with any other matters related and or incidental to the above or as may be assigned, in addition to the aforesaid, by the Board from time to time.

During the year under review, four Audit Committee Meetings were held on 30th May 2015, 11th August 2015, 03rd November 2015 and 10th February, 2016 and the same were attended by all committee members except Mr. Jagmohan Lal Suri who has not attended the meeting held on 10th February, 2016.

#### (B) Nomination and Remuneration Committee

The Board of Directors in their meeting held on 24th May, 2014 and pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the erstwhile Listing Agreement, renamed the Remuneration Committee of the Board of Directors as "Nomination and Remuneration Committee". The Board of Directors in their meeting held on 10th February, 2016, and pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, adopted the revised terms of reference for the Nomination and Remuneration Committee which comprises of following members:

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

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

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

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for performance evaluation of Independent Directors and the Board;

- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- e. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

During the year under review One (1) Nomination and Remuneration Committee Meeting was held on 10th February, 2016 and the same was attended by all the committee members except Mr. JML Suri, who could not attend the meeting held on 10th February, 2016 and was granted leave of absence.

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

Remuneration paid to Non-executive Directors during the year ended 31st March 2016 is summarised as under:

Director	Relationship with other Directors	Sitting Fees Paid (₹)	Salary & Perks	Commission, if any
Mr. Lalit Bhasin	-	50,000/-	Nil	Nil
Mrs. Asha Mehra	-	74,000/-	Nil	Nil
Mr. Anil Goyal	-	66,000/-	Nil	Nil
Mr. J. M. L. Suri	-	55,000/-	Nil	Nil
Mr. Rajesh Jain	-	80,000/-	Nil	Nil
Mr. Luv Malhotra	-	50,000/-	Nil	Nil

The non-executive directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board and no other remuneration is being paid to any of the Directors. The sitting fee for each meeting of Board of Directors and the Committee of Directors is fixed by the Board of Directors within the overall ceiling laid down under the Companies Act.

#### (C) Stakeholders Relationship Committee

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

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

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

Rajesh Singh Chahar, Company Secretary of the Company acts as Compliance Officer of the Company.

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

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

During the year under review Four (4) Stakeholders Relationship Committee Meetings were held on 28th April, 2015, 19th May, 2015, 27th November, 2015 and 14th March, 2016 and the same were attended by all the committee members.

**The status of Investor's Grievance Redressal from 01.04.2015 to 31.03.2016 is as under:**

Nature of Grievance	Received	Cleared
Relating to Dividend	5	5
Relating to transfer, transmission, exchange etc.	3	3
Non Receipt of Annual Report	0	0
Dematerialisation of Shares	0	0
<b>TOTAL</b>	<b>8</b>	<b>8</b>

#### (D) Corporate Social Responsibility Committee

The Board of Directors in its meeting held on 24th May, 2014, constituted a Corporate Social Responsibility Committee. This Committee discharges the role of Corporate Social Responsibility Committee under Section 135 of the Companies Act, 2013 which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the



Company as per Schedule VII to the Companies Act, 2013; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company. The Committee comprises of Mrs. Asha Mehra, Chairperson of the Committee, Mr. Anil Goyal and Mr. Rajesh Jain as other members of the Committee and the Company Secretary of the Company as the Secretary to the Committee.

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

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

The Company does not come under the ambit of Corporate Social Responsibility hence no Committee meeting was required to be held during the year under review.

**(E) Business Restructuring Committee:**

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

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

During the year under review one (1) meeting of the committee was held on 30th May, 2015. The same was attended by all the committee members.

**(F) Securities Committee**

The Securities Committee comprises three (3) members, headed by Mrs. Asha Mehra as Chairperson; Mr. Anil Goyal and Mr. Rajesh Jain as its two Members, all being non-executive Directors. The committee has been empowered, inter-alia, to carry out the following functions:

- To raise capital through further issuance and allotment of Securities including but not limited to Equity Shares and/or Convertible Preference Shares and/or Fully Convertible Debentures ("FCDs") and/or Non Convertible Debentures ("NCDs") with warrants, Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs") and/or any other financial instruments convertible into or linked to Equity Shares through public issue(s), private placement(s) or a combination thereof, including issuance of Securities through a qualified institutional placement under Chapter VIII of the SEBI ICDR Regulations for an aggregate amount to Rs. 250 Crores.
  - To expedite the process of preparation and approval of offer documents/ information memorandum, fixing of terms and conditions including pricing, engaging of intermediaries etc. for various kinds of securities, at opportune times.
  - Approving the draft / final offer documents, placement document and filing the same with any other authority or persons as may be required;
  - Approving the issue price, payment terms, timings of the issue(s), the number of Securities to be issued, the basis of allocation and allotments of Securities;
- During the year under review no meeting(s) of the committee were held.

**5. GENERAL BODY MEETINGS**

Details of Annual General Meetings:

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

Year	Type	Location	Date	Time
2014-15	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	22nd September, 2015	11.00 A.M.
2013-14	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	29th October 2014	11.00 A.M.
2012-13	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001	21st November 2013	11.00 A.M.

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

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

- (iii) Whether Special Resolutions were put through postal ballot last year : No  
(iv) Are polls proposed to be conducted through postal ballot : No

**7 DISCLOSURES**

- In line with the requirements of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, on the recommendation of the Audit Committee, has formulated a Policy on Related Party Transactions which is also available on Company's website viz. [www.hbestate.com](http://www.hbestate.com) having following web link, [www.hbestate.com/Investor Centre/CorporateGovernance](http://www.hbestate.com/Investor Centre/CorporateGovernance). All Related Party Transactions are placed before the Audit Committee for review and approval. None of the Directors has any pecuniary relationships or transactions with the Company during the year under review.  
All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. There were no materially significant Related Party Transactions entered into by the Company during the year under review.
- No penalty has been imposed nor any strictures have been passed by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Markets during the last three years.
- The Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company. No personnel have been denied access to the Audit Committee.
- In line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have formulated a Policy to Determine Material Subsidiary which is also available on Company's website viz. [www.hbestate.com](http://www.hbestate.com) having following web link, [www.hbestate.com/Investor Centre/CorporateGovernance](http://www.hbestate.com/Investor Centre/CorporateGovernance). As of now Company has no subsidiaries and there is no immediate applicability of the said policy.
- All the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, related to Corporate Governance are being adhered to / complied with.
- The Director and Chief Financial Officer of the Company, have given the Compliance Certificate on the review of Financial Statements, including Cash Flow Statement for the financial year ended 31st March, 2016 to the Board of Directors as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Company has adopted a code of conduct applicable to all Directors and Senior Management Personnel of the Company and the same has been posted on the website of the Company [www.hbestate.com](http://www.hbestate.com). For the year under review, all directors and senior management personnel have confirmed their adherence to the provisions of said code.
- The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ADOPTION OF DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

- The Internal Auditor directly reports to the Audit Committee.

**8 MEANS OF COMMUNICATION**

- Quarterly Results: Dissemination through Stock Exchange, Company's Website and through publication in newspaper as required under SEBI (Listing Obligations and Disclosure) Regulations, 2015.
- Newspaper wherein results normally published: Business Standard (English) All India editions and Business Standard (Hindi) Delhi Edition.
- Website where displayed: [www.hbestate.com](http://www.hbestate.com)
- The website also displays official news releases and important communications made to Stock Exchange. As and when any presentation is made to institutional investors the same would be simultaneously uploaded in the Company's Website.

**9. GENERAL SHAREHOLDER INFORMATION**

- I. Ensuing Annual General Meeting Date, time and venue:

Loaction	Day & Date	Time
GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurgaon - 122 001 (Haryana).	Tuesday, 20th September, 2016	11.00 A.M.

- Financial Year** : 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016
- Date of Book Closure** : 14<sup>th</sup> September, 2016 to 20<sup>th</sup> September, 2016
- Dividend Payment Date** : No dividend is being declared for year under review.
- Listing on Stock Exchanges:**

The Company's Equity Shares are listed at Bombay Stock Exchange Limited (BSE), Mumbai Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Annual Listing Fee for the financial year 2016-2017 has been paid to BSE.



The Company has also entered into fresh Listing Agreement with BSE in compliance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

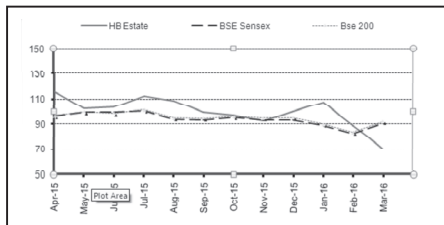
## VI. Stock Code:

The Company's scrip code at BSE is 532334.

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

Month	High	Low	Close	Volume
Apr-15	13.12	9.2	11	13628
May-15	12.4	9.7	9.76	13107
Jun-15	11.58	8.2	9.85	14361
Jul-15	12	9.75	10.7	15529
Aug-15	12.4	9.56	10.3	11639
Sep-15	11.45	8.2	9.45	12842
Oct-15	10.78	8.1	9.26	17921
Nov-15	10	8.03	8.8	23290
Dec-15	11.11	8.12	9.51	37995
Jan-16	11.74	8.66	10.22	23666
Feb-16	11.99	7.98	7.98	23231
Mar-16	8.25	6.35	7.3	16565

## IX. Performance in Comparison to broad based indices



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

	1 year
HB Estate	-33.64%
BSE Sensex	-6.18%
BSE 200	-4.84%

## XI. Registrar and Transfer Agents:

**RCMC Share Registry Pvt. Ltd.**  
B-25/1, First Floor,  
Okhla Industrial Area, Phase-II,  
New Delhi – 110 020  
Phone: 011 – 26387320, 26387321, 26387323  
Fax : 011 - 26387322  
E-mail: shares@rcmdltd.com

## XII. Share Transfer System

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

## XIII. The distribution of shareholdings of the Company as on 31<sup>st</sup> March 2016 is as under:

No of Shares	Shareholders		Shareholding	
	Nos.	% to total	Shares	% to total
Upto 5000	69512	99.50	2910237	18.03
5001-10000	182	0.26	131228	0.81
10001-20000	64	0.09	92819	0.58
20001-30000	30	0.04	74907	0.46
30001-40000	15	0.02	50717	0.31
40001-50000	11	0.02	51615	0.32
50001-100000	14	0.02	114232	0.71
100001 and above	30	0.04	12712532	78.77
<b>TOTAL</b>	<b>69858</b>	<b>100</b>	<b>16138287</b>	<b>100</b>

The category-wise distribution of Shareholders is as follows:

Category	No of Shares held	% of Shareholding
<b>A. Promoters Holding</b>		
• Indian Promoter	1,20,34,628	74.57
• Foreign Promoters	0	0
<b>B. Public Shareholding (Institutions)</b>		
• Mutual Funds and UTI	1,125	0.01
• Banks/Financial Institutions	195	0
• Foreign Institutional Investors	0	0
<b>C. Public Shareholding (Non Institutions)</b>		
• Bodies Corporate	4,87,118	3.02
• NRIs	1,05,517	0.65
• Indian Public	35,04,235	21.72
• Clearing Member/ Intermediary	5,469	0.03
<b>Total</b>	<b>1,61,38,287</b>	<b>100</b>

## IX. Dematerialization of Share and Liquidity:

Company's Shares are tradable compulsorily in the electronic form. The company has joined the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN No. allotted to Equity Shares of the Company is INE640B01013. As at 31<sup>st</sup> March 2016, 1,41,63,255 Equity Shares of the company are held in dematerialised form constituting 87.76% of the Company's Paid up Equity Share Capital of 16,13,82,870/- comprising of 1,61,38,287 Equity shares of 10/- each. As stipulated by SEBI, a qualified Practising Company Secretary carries out Audit of Reconciliation of Share Capital to reconcile the Total Admitted, Issued and Listed Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the Bombay Stock Exchange (BSE).

## XIV. The Company has no outstanding GDRs/ ADRs/ Warrants or any other instruments convertible into equity.

## XV. Compliance Officer: Company Secretary of the Company acts as the Compliance Officer.

## XVI. Address for Correspondence:

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

## Director's Declaration on Code of Conduct

The Members of  
HB Estate Developers Limited.

I, J.M.L. Suri, Director of the Company declare that all the members of the Board of Directors; and Senior Management of the Company have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2016.

For HB ESTATE DEVELOPERS LTD.

Sd/-

J. M. L. Suri

Director

Place : Gurgaon

Date : 26.05.2016

(DIN: 00002373)

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
HB Estate Developers Limited

- We have examined the compliance of conditions of Corporate Governance by **HB ESTATE DEVELOPERS LTD.** ("the Company"), for the year ended on March 31, 2016, as stipulated in Clause 49 (excluding clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges) for the period April 1, 2015 to November 30, 2015.
- Clause 49 (VII) (E) of the Listing Agreements of the Company with stock exchanges for the period April 1, 2015 to September 1, 2015.
- Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) for the period September 2, 2015 to March 31, 2016 and
- Regulations 17 to 27 (excluding regulation 23 (4)) and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the period December 1, 2015 to March 31, 2016.
- The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the 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.
- We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
- In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
- We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR P. BHOLUSARIA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN 000468N**

Sd/-

AMIT GOEL

PARTNER

Place : Gurgaon

Date : 26.05.2016

(Membership No. 092648)



## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF  
HB ESTATE DEVELOPERS LIMITED**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **HB ESTATE DEVELOPERS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2016 and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance sheet, the Statement of profit and loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 29.9 to the financial statements;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Place : Gurgaon**  
**Date : 26.05.2016**

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

### Annexure - A to the Auditors' Report

The annexure referred to in Independent Auditor's Report to the members of the company on the standalone financial statements for the year ended on 31st March, 2016, We Report that:

1. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- b. As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c. The title deeds of immovable property are held in the name of the Company and the same are lying with the bank in connection with the borrowings made by the Company.
2. As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. As explained to us the discrepancies noticed on physical verification of inventory as compared to the book records were not material.
3. a. The company has not granted during the year any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under section 189 of the Companies Act, 2013('the Act'). However, in respect of one Company, the outstanding recoverable as at the beginning of the year was Rs.1,08,94,884/-(including interest receivable) and the maximum amount outstanding at any time during the year and year end balance is Rs. 1,41,96,182/- including interest receivable.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, as applicable to it, with respect to the loans and investment made, to the extent applicable to the Company. As per the information and explanation given to us, the Company has not given any guarantee or provided any security in connection with a loan to any other body corporate or person.
5. The Company has not accepted any deposits from the public.
6. The nature of the company's business/activities is such that maintenance of Cost Records under section 148(1) of the Act is not applicable to the company.
7. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Customs Duty, Excise Duty, Value added tax, Cess and other statutory dues to the extent and as applicable to the company have been generally regularly deposited by the company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2016 for a period of more than six months from the date of becoming payable.
- b. According to the records of the company, the disputed statutory dues that have not been deposited on account of the matters pending before appropriate authorities as on 31st March, 2016 are as under:-
  - (i) property tax demand of ₹ 68,02,674/- against which the company had filed Writ Petition before Hon'ble Delhi High Court and the company had been granted stay by the Hon'ble Court from the payment of said amount and the hon'ble court has directed the MCD to recompute the tax (refer note no.29.1(a))
  - (ii) Income tax demand of ₹ 9,43,640/- for which the company is in Appeal before Commissioner of Income Tax (Appeal);
  - (iii) Ground Rent as explained in note no.29.1(c)
8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans/borrowings from bank. There are no loans or borrowings taken by the Company from any financial institution, government or debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans were applied for the purpose for which those were raised.
10. In our opinion and according to the information and explanation given to us, no fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not paid any managerial remuneration during the year.



## HB ESTATE DEVELOPERS LIMITED

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934.

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

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

**Place : Gurgaon**  
**Date : 26.05.2016**

### Annexure - B to the Auditors' Report

#### **Report on the Internal Financial Control under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of HB Estate Developers Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place : Gurgaon**  
**Date : 26.05.2016**

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

### **Form AOC-1**

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

##### Part "A": Subsidiaries: Not Applicable

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

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

S. No.	Name of Associate Company	Parsvnath HB Projects Pvt. Ltd
1.	Latest audited Balance Sheet Date	16.05.2016
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	24,020
	Amount of Investment in Associates/Joint Venture	Rs. 2,40,200/-
	Extend of Holding%	49%
3.	Description of how there is significant influence	Shareholding of more than 20%
4.	Reason why the associate/joint venture is not consolidated	N.A.
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
6.	Profit/Loss for the year	
	Considered in Consolidation	Yes
	Not Considered in Consolidation	N.A.


**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

Particulars	Note	AS AT 31 <sup>st</sup> MARCH, 2016 (₹)	AS AT 31 <sup>st</sup> MARCH, 2015 (₹)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	964120308	964120308
Reserves and Surplus	3	9889772	318185074
		<b>974010080</b>	<b>1282305382</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	2919957348	2886018013
Deferred Tax Liabilities (Net)	5	183696292	152361505
Other Long Term Liabilities	6	103388338	110101261
Long Term Provisions	7	3323471	3277669
		<b>3210365449</b>	<b>3151758448</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	8	90000000	90000000
Trade Payables	9	156072211	96646685
Other Current Liabilities	10	274452782	203986078
Short Term Provisions	11	147726	238130
		<b>520672719</b>	<b>390870893</b>
		<b>4705048248</b>	<b>4824934723</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	4171128326	4299881560
Intangible Assets		8147190	9786769
Non-current investments	13	60358677	78224599
Long term loans and advances	14	9837008	10530786
Other Non Current Assets	15	63278931	86843791
		<b>4312750132</b>	<b>4485267506</b>
<b>Current Assets</b>			
Inventories	16	189233070	183024243
Trade receivables	17	55138332	34012227
Cash and Bank Balances	18	57656682	51746931
Short-Term Loans and Advances	19	89955281	70071839
Other Current Assets	20	314751	811978
		<b>392298116</b>	<b>339667218</b>
		<b>4705048248</b>	<b>4824934723</b>

**SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON  
ACCOUNTS**

1 to 29

The accompanying notes form an integral part of the financial statements

As Per our Report attached on even date  
For P BHOLUSARIA & Co.  
CHARTERED ACCOUNTANTS  
Firm Registration No. : 000468N

FOR AND ON BEHALF OF THE BOARD

AMIT GOEL  
PARTNER  
(Membership No. 092648)

JML SURI  
Director  
DIN:00002373

ANIL GOYAL  
Director  
DIN:00001938

PLACE : GURGAON

PRAVEEN GUPTA RAJESH SINGH CHAHAR

DATED : 26.05.2016

Chief Financial Officer

Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED**
**31<sup>st</sup> MARCH, 2016**

Particulars	Note	YEAR ENDED 31 <sup>st</sup> MARCH, 2016 (₹)	YEAR ENDED 31 <sup>st</sup> MARCH, 2015 (₹)
Revenue from Operations	21	680018265	645424675
Other Income	22	21430289	16878325
<b>Total Revenue</b>		<b>701448554</b>	<b>662303000</b>
<b>Expenses:</b>			
Food and Beverages Consumed	23	70415350	55130853
Changes in inventories of			
Finished Goods/ Stock-in-Trade	24	0	23274954
Employee Benefit Expense	25	162096799	151540190
Finance Costs	26	305014438	310476972
Depreciation and Amortization	12	150466320	149150186
Other Expenses	27	294206478	280229551
<b>Total Expenses</b>		<b>982199385</b>	<b>969802706</b>
<b>Profit/(Loss) for the year before tax and exceptional items</b>		<b>-280750831</b>	<b>(307499706)</b>
<b>Exceptional items</b>			
Profit/(Loss) on sale of Long Term/Non Current Investments		3790317	(102360036)
<b>Profit/(Loss) for the year before tax and after exceptional items</b>		<b>-276960514</b>	<b>(409859742)</b>
<b>Tax expense:</b>			
Current tax		0	0
Deferred Tax Charge		31334788	40932413
<b>Profit/(Loss) for the year</b>		<b>(308295302)</b>	<b>(450792155)</b>
<b>Earning per equity share:</b>	28		
<b>Equity share of Par value ₹ 10/- each</b>			
<b>(Before Exceptional item) in ₹</b>			
Basic		(19.34)	(21.59)
Diluted		(19.34)	(21.59)
<b>(After Exceptional item) in ₹</b>			
Basic		(19.10)	(27.93)
Diluted		(19.10)	(27.93)
<b>Number of equity shares used in computing earning per share</b>			
Basic		16138287	16138287
Diluted		16138287	16138287

**SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON  
ACCOUNTS**

1 to 29

The accompanying notes form an integral part of the financial statements

As Per our Report attached on even date  
For P BHOLUSARIA & Co.  
CHARTERED ACCOUNTANTS  
Firm Registration No. : 000468N

FOR AND ON BEHALF OF THE BOARD

AMIT GOEL  
PARTNER  
(Membership No. 092648)

JML SURI  
Director  
DIN:00002373

ANIL GOYAL  
Director  
DIN:00001938

PLACE : GURGAON

PRAVEEN GUPTA RAJESH SINGH CHAHAR

DATED : 26.05.2016

Chief Financial Officer

Company Secretary


**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016**

PARTICULARS	(AMOUNT IN ₹) YEAR ENDED 31 <sup>ST</sup> MARCH 2016	(AMOUNT IN ₹) YEAR ENDED 31 <sup>ST</sup> MARCH 2015
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax, extraordinary items	(276960514)	(409859742)
Adjustment for :		
Depreciation/Amortisation	150466320	149150186
Loss/(Profit) on sale of fixed assets	4059	(770028)
Interest/Dividend Received	(9983889)	(13639498)
Interest Paid	305014438	310476972
Provision no longer required written back	0	(1853278)
Profit/Loss on sale of long term/non current investments	(3790317)	102360036
Provision for Employees Benefit	(44602)	556004
Operating Profit before Working Capital Changes	164705495	136420652
Adjustments for :		
Trade & other receivables/Assets	(25153652)	3476580
Inventories	(6208828)	41835476
Trade Payables & other Liabilities	50279405	(465557152)
Cash generated from operations	183622420	(283824444)
Direct Tax Paid	(11034134)	(6996674)
<b>Net Cash from operating activities (A)</b>	<b>172588286</b>	<b>(290821118)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Work in progress/Purchase of Fixed Assets	(20116526)	(50970970)
Sale of Fixed Assets	38960	6875500
Purchase of Investments	0	(200000)
Sale/decrease of Investments	21656238	274227948
Change in other non-current assets	23564860	50052994
Change in Loan and advances/other assets	(2607520)	1996834
Change in Loan and advances/other Liabilities	(866425)	(748553)
Interest Received	9983889	13294319
Dividend Received	0	345178
<b>Net Cash received in Investing activities (B)</b>	<b>31653476</b>	<b>294873251</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Payment) from/of fractional shares	0	(255)
Proceeds from issue of Preference Share Capital	0	50000000
Proceeds from Borrowings (Net)	107705662	(197697821)
Interest paid	(305014438)	(310476972)
<b>Net Cash used in Financing Activities (C)</b>	<b>(197308776)</b>	<b>(8175048)</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>6932986</b>	<b>(4122915)</b>
<b>Increase/(Decrease) in Cash &amp; Cash equivalents on Amalgamation</b>		<b>513375</b>
CASH & CASH EQUIVALENTS		
<b>(OPENING BALANCE)</b>	<b>45401729</b>	<b>49011268</b>
CASH & CASH EQUIVALENTS		
<b>(CLOSING BALANCE)</b>	<b>52334715</b>	<b>45401728</b>
<b>Components of cash and cash equivalents at the end of the year</b>		
Cash on hand	597373	1112496
<u>Balances with scheduled banks :</u>		
-In current and deposit accounts	51737342	44289233
	<b>52334715</b>	<b>45401729</b>

The accompanying notes form an integral part of the financial statements

As per our Report of even date attached herewith

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

FOR AND ON BEHALF OF THE BOARD

AMIT GOEL  
PARTNER  
(Membership No. 092648)

JML SURI  
Director  
DIN:00002373

ANIL GOYAL  
Director  
DIN:00001938

PLACE : GURGAON  
DATED : 26.05.2016

PRAVEEN GUPTA  
Chief Financial Officer

RAJESH SINGH CHAHAR  
Company Secretary

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016**
**1. SIGNIFICANT ACCOUNTING POLICIES**
**1.1 BASIS OF ACCOUNTING**

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

**1.2 USE OF ESTIMATES**

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

**1.3 REVENUE RECOGNITION**

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

**1.4 FIXED ASSET**

Fixed Assets are stated at cost less depreciation/amortisation and impairment losses, if any. Borrowing cost during the period of construction is added to the cost of eligible tangible assets.

**1.5 DEPRECIATION/AMORTISATION**

- 1.5 a Tangible Assets  
Depreciation is provided on Straight Line Method over the useful life of assets in the manner prescribed in Schedule II to the Companies Act, 2013.
- 1.5 b Intangible Assets  
Intangible Assets (Software) are amortised over a period of five years.

**1.6 INVENTORIES**

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

**1.7 INVESTMENTS**

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

**1.8 EMPLOYEE BENEFITS**

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

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

**1.9 TAXATION**

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

**1.10 IMPAIRMENT OF FIXED ASSETS**

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

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

**1.11 CONTINGENCIES**

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

**1.12 BORROWING COSTS**

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

**1.13 FOREIGN CURRENCY TRANSACTION**

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

**2. SHARE CAPITAL**

Particulars	As at 31 <sup>st</sup> March, 2016 (In ₹)	As at 31 <sup>st</sup> March, 2015 (In ₹)
<b>AUTHORIZED</b>		
3,50,00,000 (3,50,00,000) Equity Shares of ₹ 10/- each.	350000000	350000000
80,00,000 (80,00,000) Redeemable Preference Shares of ₹ 100/- each	800000000	800000000
	<b>1150000000</b>	<b>1150000000</b>
<b>ISSUED</b>		
1,69,67,625 (1,69,67,625) Equity Shares of ₹ 10/- each.	169676250	169676250
30,00,000 (30,00,000) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each	300000000	300000000
50,00,000 (50,00,000) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II of ₹ 100/- each	500000000	500000000
	<b>969676250</b>	<b>969676250</b>
<b>SUBSCRIBED &amp; PAID UP</b>		
1,61,38,287 (1,61,38,287) Equity Shares of ₹ 10/- each fully paid up (See Note 2.1)	161382870	161382870
Add: Forfeited shares- 8,29,338 (8,29,338) Equity Shares (Amount originally paid up)	2737438	2737438
30,00,000 (30,00,000) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each fully paid up (See Note 2.2)	300000000	300000000
50,00,000 (50,00,000) 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II of ₹ 100/- each fully paid up (See Note 2.3)	500000000	500000000
<b>Total in</b>	<b>964120308</b>	<b>964120308</b>

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

- 2.1 Equity Shares are having par value of ₹ 10/ each. Holder of Equity Shares is entitled to One vote per share. The dividend Proposed, if any, by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting. In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Equity Shares include 40,95,995 Equity Shares of ₹ 10 each fully paid up, issued and allotted for consideration other than cash pursuant to Scheme of amalgamation of erstwhile Pisces Portfolios Pvt. Ltd. with the company during financial year 2014-15

– Reconciliation of the number of Equity Shares outstanding and Amount of Equity Share Capital as on 31st March 2016 & 31st March, 2015 is as under:



Particulars	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	16138287	161382870	12042292	120422920
Add: Issued and allotted pursuant to Scheme of Amalgamation			4095995	40959950
Number of shares at the end	16138287	161382870	16138287	161382870

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

Name of Shareholder	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Lalit Bhasin	7414473	45.94	7414473	45.94
HB Stockholdings Ltd.	1615608	10.01	1615608	10.01
HB Portfolio Ltd	2041587	12.65	2041587	12.65

2.2 Preference Shares having par value of ₹ 100/- were allotted on 29th March 2013. The Preference Shares carries 9% coupon rate of dividend (non-cumulative). The holders of Preference Shares shall not be entitled to receive notice of or to attend and vote at General meetings of the Equity Shareholders of the Company. The holders of Preference Shares shall be entitled to attend meetings and vote (one vote per share) only on the Resolutions directly affecting their rights. Also the Preference Shareholders shall not be entitled to any bonus or right issue etc. of Equity Shares or other securities of the Company. The Preference Shares shall carry a preferential right over the Equity Shares of the Company as regards to payment of dividend and as regards to repayment of the capital in the event of winding up of the Company. The tenure of the Preference Shares will be 10 years from the date of allotment. The Preference Shares will be redeemed at par in two equal installments i.e. 50% at the end of 9th year from the date of allotment and remaining 50 % at the end of 10th year from the date of allotment.

— Reconciliation of the number of Preference Shares outstanding and Amount of Preference Share Capital as on 31st March 2016 & 31st March, 2015 is as under:

Particulars	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	3000000	300000000	3000000	300000000
Number of shares issued during the year	0	0	0	0
Number of shares at the end	3000000	300000000	3000000	300000000

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

Name of Shareholder	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
HB Stockholdings Ltd.	750000	25.00	750000	25.00
Aquarius Portfolios Pvt. Ltd	450000	15.00	750000	25.00
Gemini Portfolios Pvt. Ltd	300000	10.00	0	0.00
HB Portfolio Ltd.	750000	25.00	750000	25.00
Merrygold Investments Ltd.	750000	25.00	750000	25.00

2.3 Preference Shares having par value of ₹ 100/- were allotted in March 2015. The Preference Shares carries 9% coupon rate of dividend (non-cumulative). The holders of Preference Shares shall not be entitled to receive notice of or to attend and vote at General meetings of the Equity Shareholders of the Company. The holders of Preference Shares shall be entitled to attend meetings and vote (one vote per share) only on the Resolutions directly affecting their rights. Also the Preference Shareholders shall not be entitled to any bonus or right issue etc. of Equity Shares or other securities of the Company. The Preference Shares shall carry a preferential right over the Equity Shares of the Company as regards to payment of dividend and as regards to repayment of the capital in the event of winding up of the Company. The tenure of the Preference Shares will be 10 years from the date of allotment. The Preference Shares will be redeemed at par at the end of 10th year from the date of allotment.

— Reconciliation of the number of Preference Shares Series-II outstanding and Amount of Preference Share Capital as on 31st March 2016 & 31st March, 2015 is as under:

Particulars	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No. of Shares Held	Amount	No. of Shares Held	Amount
Number of shares at the beginning	5000000	500000000	0	0
Number of shares issued during the year	0	0	5000000	500000000
Number of shares at the end	5000000	500000000	5000000	500000000

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

Name of Shareholder	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
Gemini Portfolios Pvt. Ltd	2000000	40.00	2000000	40.00
Aquarius Portfolios Pvt. Ltd.	1000000	20.00	1000000	20.00
Venus Portfolios Pvt. Ltd	2000000	40.00	2000000	40.00

### 3. RESERVES AND SURPLUS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
Capital Reserve-Opening Balance	23039795	0
Add: Addition pursuant to and on account of amalgamation		23039795
	23039795	23039795
Capital Redemption Reserve-Opening Balance	20000000	0
Add: Addition pursuant to and on account of amalgamation		20000000
	20000000	20000000
Securities Premium Reserve-Opening Balance	555742116	499742116
Add: Addition pursuant to and on account of amalgamation		56000000
	555742116	555742116
General Reserve -Opening Balance	668199083	318199083
Add: Addition pursuant to and on account of amalgamation		350000000
	668199083	668199083
Statutory Reserve -Opening balance	125903413	0
Add: Addition pursuant to and on account of amalgamation*		125903413
	125903413	125903413
Surplus -Opening Balance	-1074699333	-304999632
Add: Addition on account of amalgamation as on 01.04.2012		-139037551
Add: Transfer due to amalgamation (pertaining to 01.04.2012 to 31.03.2014)		-179869994
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	-308295302	-450792155
Surplus-Closing balance	-1382994635	-1074699333
<b>Total in ₹</b>	<b>9889772</b>	<b>318185074</b>

\* Created in earlier years under section 45(1C) of Reserve Bank of India (Amendment) Act 1997 by way of transfer of specified percentage of profits by erstwhile company Pisces Portfolios Pvt. Ltd. which was amalgamated with the company in the earlier year.

### 4. LONG TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)		As at 31 <sup>st</sup> March 2015 (In ₹)	
	Non-Current	Current	Non-Current	Current
<b>(A) SECURED LOANS:</b>				
<b>Term Loan From Bank-</b>				
- Vehicle Loan from HDFC Bank (1)	0	73069	73069	413843
- Vehicle Loan from ICICI Bank (2)	0	32618	32618	432843
- Term Loan from Yes Bank- (I) (3)	685600000	189320000	899920000	100080000
- Term Loan from Yes Bank- (II) (3)	780000000	16000000	796000000	4000000
<b>Total-A</b>	<b>1465600000</b>	<b>205425687</b>	<b>1696025687</b>	<b>104926686</b>
<b>(B) UNSECURED LOANS</b>				
- Overdraft from State Bank of India (4)	149632348	0	0	0
- Term Loan from Religare Finvest Limited (5)	144000000	0	198267326	26732674
- Intercompany Loans & Advances (6)	1060725000	0	991725000	0
- Loan from Director (7)	100000000	0	0	0
<b>Total-B</b>	<b>1454357348</b>	<b>0</b>	<b>1189992326</b>	<b>26732674</b>
<b>Total (A+B)</b>	<b>2919957348</b>	<b>205425687</b>	<b>2886018013</b>	<b>131659360</b>
<b>- Maturity Profile of Secured Term Loan from banks are as under:</b>				
	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>Beyond 4 year</b>
- Vehicle Loan from HDFC Bank	Nil	Nil	Nil	Nil
- Vehicle Loan from ICICI Bank	Nil	Nil	Nil	Nil
- Term Loan from Yes Bank (I) (Rs. 100 Crore)	214320000	214320000	214320000	42640000
- Term Loan from Yes Bank (II) (Rs. 80 Crore)	28000000	32000000	56000000	664000000

- Maturity Profile of Unsecured Loans are as under:

	1-2 years	2-3 years	3-4 years	Beyond 4 year
- Overdraft from State Bank of India	2600000	8600000	17100000	121332348
- Term Loan from Religare Finvest Limited	Nil	25926756	26726642	91346602

(1) **Vehicle Loan From HDFC Bank**

Secured by way of hypothecation of Vehicle Financed. The Rate of Interest is 10% P.A. Repayable in 36 monthly installments. Last installment due in May 2016.

(2) **Vehicle Loan From ICICI Bank**

Secured by way of hypothecation of Vehicle Financed. The Rate of Interest is 9.75% P.A. Repayable in 36 monthly installments. Last installment due in April 2016.

(3) **Term Loans From Yes Bank**

Secured by way of exclusive charge on company's hotel land and hotel building situated in sector 44 Gurgaon, exclusive charge on company's land and building situated at Sector 32, Gurgaon, exclusive charge on all present and future moveable fixed assets and current assets of the project (Taj Vivanta Hotel), exclusive charge on rentals, all receivables and other current assets accruing from property located at sector 32, Gurgaon; personal guarantee of director Mr. Lalit Bhasin, Non Disposal Undertaking (NDU) of entire shareholding of the company held by Mr. Lalit Bhasin, negative lien on his entire shareholding in the company for entire tenor of loan facility. The Rate of Interest is 12.50% P.A.

The Term Loan disbursed was of Rs. 100 Crore repayable in 56 monthly installments starting from October 2015. Last installment due in May 2020.

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

(4) **Overdraft Facility from State Bank of India**

Secured by way of equitable mortgage of Residential Property bearing no. C-2/7, Safdarjung Development Area, New Delhi belonging to Sh. Lalit Bhasin - director of the company and also his personal guarantee. The Rate of Interest is 11.80% P.A. The total loan tenure is of 7 years 10 months. The loan is repayable in 27 quarterly unequal installments starting from 1st quarter of 2017-18 and last installment due in 3rd quarter of 2023-24.

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

Secured by way of mortgage of Property at Plot No. BP-8, Feroze Gandhi Road, Lajpat Nagar-III, New Delhi belonging to Sh. Lalit Bhasin - director of the company. The Rate of Interest is 13.45% P.A. The loan is repayable in 6 annual unequal installments starting from 1st March 2019 and last installment due on 1st March 2024.

(6) Intercompany Loans and Advances are interest free and are repayable beyond 3 years.

(7) Interest free Loan from Director Sh. Lalit Bhasin is repayable beyond 3 years.

5. **DEFERRED TAX LIABILITY**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Liability</b>		
Fixed Assets	184768892	153447887
<b>Less: Assets</b>		
Leave Encashment/Gratuity	1072600	1086382
<b>Net Deferred Tax Liability</b>	<b>183696292</b>	<b>152361505</b>

6. **OTHER LONG TERM LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
Security Deposits*	103388338	110101261
<b>Total in ₹</b>	<b>103388338</b>	<b>110101261</b>

\* include due to related parties ₹ 8,06,65,763/- (previous year ₹ 8,63,42,485/-) (refer note no.29.2)

7. **LONG TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Provisions For Employees Benefit</b>		
Leave Encashment	1192261	1281943
Gratuity (net)	2131210	1995726
<b>Total in ₹</b>	<b>3323471</b>	<b>3277669</b>

8. **SHORT TERM BORROWINGS**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Unsecured</b>		
<b>From Related Party (Refer Note No.29.2)</b>		
Intercompany Loan	90000000	90000000
<b>Total in ₹</b>	<b>90000000</b>	<b>90000000</b>

9. **TRADE PAYABLES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
Due to Micro, Small & Medium Enterprises (Refer Footnote (i) & (ii))	1977566	1391932
Others	154094645	95254753
<b>Total in ₹</b>	<b>156072211</b>	<b>96646685</b>

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

(ii) The disclosure relating to Micro, Small & Medium enterprises is as under:

Particulars	Current Year	Previous Year
(i) Principal amount remaining unpaid to any suppliers as at the end of the accounting year.	1977566	1391932
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	Nil	Nil

10. **OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
Current Maturities of Long term Debts (Refer Note No.4)	205425687	131659360
Interest Accrued but not due on borrowings	21820344	25360613
Unclaimed Dividend *	5321967	6345202
Creditors for Capital Expenditure (including Retention & Earnest Money)	0	866425
Expenses Payable	22837947	21173320
Security Deposits	720919	227465
Advances from Customers	7175927	6779454
Statutory Dues	11149991	11574240
<b>Total in ₹</b>	<b>274452782</b>	<b>203986078</b>

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

11. **SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Provisions For Employees Benefit</b>		
Leave Encashment	147726	238130
<b>Total in ₹</b>	<b>147726</b>	<b>238130</b>

## 12. FIXED ASSETS

(Amount in ₹)

S. No.	Particulars	GROSS BLOCK					DEPRECIATION/AMORTISATION						NET BLOCK	
		As at 01.04.2015	Additions on Amalgamation	Additions during the year	Adjustment During the Year	As at 31.03.2016	As at 01.04.2015	Additions on Amalgamation	For the year	Adjustment During the Year	Total For the Year	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
A.	Tangible Assets													
1	FREEHOLD LAND	1553037422	0	0	0	1553037422	0	0	0			0	1553037422	1553037422
2	BUILDING	1856389310		9245137	0	1865634447	62365664	0	29475949	0	29475949	91841613	1773792834	1794023646
3	PLANT & EQUIPMENTS	528299937		3489838	0	531789775	59637495	0	34239790	0	34239790	93877285	437912490	468662442
4	FURNITURE & FIXTURES	591383613		3541245	0	594924858	132376548	0	72168511	0	72168511	204545059	390379798	459007064
5	VEHICLES	5096466	0	0	0	5096466	1660184	0	653686	0	653686	2313870	2782596	3436282
6	OFFICE EQUIPMENTS	2356492		622940	0	2979432	1774928	0	319738		319738	2094666	884765	581563
7	COMPUTERS	39690548		1537514	49350	41178712	18557407	0	10289215	-6331	10282884	28840291	12338421	21133141
8	Total Tangible Assets (A)	4576253786	0	18436674	49350	4594641110	276372226	0	147146889	-6331	147140558	423512784	4171128326	4299881560
	Previous Year	4526263025	6875000	49990761	6875000	4576253786	130381914	670313	145002686	317313	145990312	276372226	4299881560	4395881111
B.	Intangible Assets													
1	SOFTWARES	15806015		1679852	0	17485867	6019246	0	3319431	0	3319431	9338677	8147190	9786769
	Total Intangible Assets (B)	15806015	0	1679852	0	17485867	6019246		3319431	0	3319431	9338677	8147190	9786769
	Previous Year	14825806	0	980209	0	15806015	2960488		3058758	0	3058758	6019246	9786769	11865318
	Total (A+B)	4592059802	0	20116526	49350	4612126978	282391472	0	150466320	-6331	150459989	432851461	4179275516	4309668330
	Previous Year	4541088832	6875000	50970970	6875000	4592059802	133342402	670313	148061444	317313	149049070	282391472	4309668330	4407746430

## 13. NON CURRENT INVESTMENTS

Name of the Company	Face Value (₹)	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
		Qty.(Nos.)	Amount (In ₹)	Qty.(Nos.)	Amount (In ₹)
– Long Term Investments (at cost)					
A. <u>TRADE</u>					
A.1 Investments in Equity Instruments					
- Fully Paid up Equity Shares in Associate Co. (Unquoted)					
Parsvnath HB Projects Pvt. Ltd.	10	24020	240200	24020	240200
Total-A (Trade)		24020	240200	24020	240200
B. <u>OTHER THAN TRADE</u>					
B.1 Investments in Equity Instruments					
Fully Paid up Equity Shares					
Quoted					
Royal Orchid Hotels Ltd	10	496	81840	496	81840
RRB Securities Ltd.	10	86100	8610000	86100	8610000
Bellary Steel and Alloys Ltd.(*)	1	100000	458443	100000	458443
Hotline Glass Ltd.(*)	10	10000	34318	10000	34318
Jaiprakash Power Ventures Ltd. (*)	10	1543674	48944935	1943674	61627656
Mawana Sugar Ltd (*)	10	23842	286055	31083	372933
Shree Ram Urban Infrastructure Ltd. (*)	10	1000	261136	1000	261136
TCFC Finance Ltd. (*)	10	0	0	89469	3096324
Unquoted					
Harsai Investments Ltd	10	0	0	200000	2000000
CHL (South) Hotels Ltd.(*)	10	100000	1000000	100000	1000000
QR Properties Pvt Ltd (*)	10	5900	59000	5900	59000
HB Prima Capital Ltd. (*)	10	195000	282750	195000	282750
B.2 Investments in Mutual Fund					
Unquoted Fully Paid up Units					
Taurus Dynamic Income Fund (*)	10	7776	100000	7776	100000
Total-(B) (Other Than Trade) (B1+B2)		2073788	60118477	2770498	77984399
Grand Total - (A+B)		2097808	60358677	2794518	78224599

Aggregate amount of Quoted Investments ₹ 5,86,76,728/- ( Previous year ₹ 7,45,42,649/- ) and Market Value thereof ₹ 94,13,334/- ( Previous year ₹ 3,21,43,758/- )

Aggregate amount of unquoted Investment in shares ₹ 16,81,950/- ( Previous year ₹ 36,81,950/- )

In the opinion of management, no provision is required to be made for diminution amounting to ₹ 4,95,85,310/- (Previous Year ₹ 4,23,98,891/-) in the value of the long term Investments as the same is temporary.

(\*) Acquired on amalgamation.

## 14. LONG TERM LOANS &amp; ADVANCES

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Unsecured, Considered Good</b>		
Capital Advances	4380558	5443336
Security Deposits	5456450	5087450
<b>Total in ₹</b>	<b>9837008</b>	<b>10530786</b>

## 15. OTHER NON CURRENT ASSETS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
Deposits with Banks*	63278931	86843791
<b>Total in ₹</b>	<b>63278931</b>	<b>86843791</b>

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



## HB ESTATE DEVELOPERS LIMITED

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

Particulars	As at 31 <sup>st</sup> March, 2016 (In ₹)	As at 31 <sup>st</sup> March, 2015 (In ₹)
Completed Construction (Real Estate)	135696216	135696216
Food & Beverages	13751445	8569167
Stores and Operating Supplies	39785409	38758860
<b>Total in ₹</b>	<b>189233070</b>	<b>183024243</b>

### 17. TRADE RECEIVABLES

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Unsecured, considered good</b>		
Outstanding for a period exceeding Six Months	2320662	182396
Others	52817670	33829831
<b>Total in ₹</b>	<b>55138332</b>	<b>34012227</b>

### 18. CASH & BANK BALANCES

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Cash &amp; Cash Equivalents</b>		
Cash-on-Hand	597373	1112496
Balances with Banks		
- In Current and Deposit Accounts	51737342	44289233
Other Bank Balances		
- In Earmarked Dividend Accounts	5321967	6345202
<b>Total in ₹</b>	<b>57656682</b>	<b>51746931</b>

### 19. SHORT TERMS LOANS AND ADVANCES

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
<b>Unsecured, Considered Good</b>		
Loans and Advances to Related Party-Associate*	14196182	10894883
Inter Corporate Deposit including accrued interest	26221644	26508493
Prepaid Expenses/Expenses recoverable /Advances against supplies/Other recoverable	9075516	7445666
Property Tax, Service tax	9257006	5051998
Income Tax and Tax deducted at source	31204933	20170799
<b>Total in ₹</b>	<b>89955281</b>	<b>70071839</b>

\* To Parsvnath HB Projects Pvt. Ltd.

### 20. OTHER CURRENT ASSETS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
Interest accrued but not due on Bank deposits	314751	811978
<b>Total in ₹</b>	<b>314751</b>	<b>811978</b>

### 21. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)
<b>Hotel</b>		
Room Income	352734714	304373442
Food & Beverages, Restaurant and Banquet Income	287867222	247407943
Others	34142568	25715233
<b>Real Estate</b>		
Sales	0	48375000
Other Operating Income*	5273760	5178148
<b>Financial Services</b>		
Profit/(Loss) on sale of Stock/Difference in Securities dealing/Derivative trading	0	14374909
<b>Total in ₹</b>	<b>680018265</b>	<b>645424675</b>

\* Includes Rental Income, Facility Charges and Other Claims

### 22. OTHER INCOME

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)
Interest On Fixed Deposits with banks	6252565	10309042
Dividend Income on Non Current/ Long Term Investments	0	345178
Interest on Loans and Deposits	3731324	2985277
Other Income	2039901	1351828
Exchange rate Variation	1533	33722
Provisions No Longer Required written back	9404966	1853278
<b>Total in ₹</b>	<b>21430289</b>	<b>16878325</b>

### 23. FOOD AND BEVERAGES CONSUMED

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)
Opening Stock	8569167	8604348
Add : Purchases	75597628	55095672
Less : Closing Stock	13751445	8569167
<b>Total in ₹</b>	<b>70415350</b>	<b>55130853</b>

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

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)
Opening Stock	135696216	158971170
Less : Closing Stock	135696216	135696216
<b>Total in ₹</b>	<b>0</b>	<b>23274954</b>

### 25. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)
Salaries and Benefits	82965817	74056713
Payment to Contractors	26691110	23643643
Reimbursement of expenses on personnel deputed to the Company	32063234	33694077
Contribution to Provident fund and other fund	4568979	3200243
Staff welfare	15807659	16945514
<b>Total in ₹</b>	<b>162096799</b>	<b>151540190</b>

### 26. FINANCE COSTS

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)
Interest Expense	275852638	310476972
Loan Processing Fees	29161800	0
<b>Total in ₹</b>	<b>305014438</b>	<b>310476972</b>

### 27. OTHER EXPENSES

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)	For the Year ended 31 <sup>st</sup> March 2015 (In ₹)
Rent	0	240000
Linen, Room, Catering & Other Supplies/Services	32821283	31964453
Facility Management Services	11246000	12104870
Legal & Professional	5123521	9319907
Payment to Orchestra Staff, Artists & Others	2104313	1654080
Communication	6604841	10105016
Commission to Travel Agents and Others	4436530	3520437
Advertisements	15661625	8899577
Printing & Stationery	3853291	4340554
Conveyance & Travelling	7929465	7433535
Repair & Maintenance :		
To Building	13351728	11930640
To Machinery	9176958	5488850
To others	14878601	13433509
Fuel, Power and Light	74951367	81383655
Water Charges	5214739	4009159
Listing Fee	224720	112360
Insurance	1962106	2310893
Subscription	1271086	1622822



Particulars	For the Year ended 31 <sup>st</sup> March 2016	For the Year ended 31 <sup>st</sup> March 2015
	(In ₹)	(In ₹)
Sitting Fees	426479	564741
Filling Fees for increase in Share Capital	0	4125000
Miscellaneous	5211032	4633085
Vehicle Running & Maintenance	843844	895461
Licence Fees	5053112	4962164
Operating Fees	55636253	39913872
Auditors' Remuneration		
– Audit Fees	326325	320226
– Tax Audit Fees	57250	56180
– Tax Matters	91675	31461
– Limited Review Report	51375	50562
– Certification & Others	61674	34827
Rates & Taxes	8367442	8803476
Discount to Collecting Agents	7267843	5964179
<b>Total in ₹</b>	<b>294206478</b>	<b>280229551</b>

## 28. EARNING PER SHARE

Particulars	Current Year (In ₹)	Previous Year (In ₹)
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders before exceptional items	-312085619	-348432119
Less: Exceptional Items	3790317	-102360036
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders after exceptional items	-308295303	-450792155
<b>Weighted Average Nos. of Equity Share Outstanding</b>	<b>16138287</b>	<b>16138287</b>
<b>Earning Per Share (face value of ₹ 10 each)</b>		
<b>Basic and diluted Earning per share (₹)</b>		
- Before Exceptional Items	-19.34	-21.59
- After Exceptional Items	-19.10	-27.93

## 29. Other Notes

### 29.1 Contingent liability in respect of:

- Property Tax - ₹ 78,21,151/- (Previous year ₹ 78,21,151/-)  
The total demand raised by MCD was ₹ 83,85,604/- (Previous Year Rs.83,85,604/-). Against this, the company deposited the admitted liability of ₹ 5,64,453/- (Previous Year ₹ 5,64,453/-). For the balance amount of ₹ 78, 21,151/- the company had filed a Writ Petition before the Hon'ble Delhi High Court. The company had also filed a stay petition before the Hon'ble High Court praying for stay for the payment of aforesaid amount of ₹ 78,21,151/-. As per direction of Hon'ble Court the company paid a sum of ₹ 10,18,477/- against the aforesaid demand and for the balance amount the company had been granted stay. The Hon'ble High Court directed MCD to re-compute the tax. In the opinion of management the demand raised by MCD is not sustainable and no further liability will arise and therefore the aforesaid amount of ₹ 10,18,477/- paid by the company is being shown as recoverable in the Balance Sheet under the head Short Term Loans & Advances.
- Income tax demand for which rectification/appeal has been filed with the appropriate authorities- ₹ 9,43,640/- (previous year ₹ 9,43,640/-).
- The company had received a show cause notice dated 17.11.2006 from Delhi Development Authority (DDA) demanding a sum of ₹ 258.68 Lacs (Excluding undetermined interest) on account of ground rent in respect of its property at Plot No. A-2, 3 & 4 in District Centre, Wazirpur, Delhi upto the period 14<sup>th</sup> July, 2006. Aggrieved by show cause notice issued by DDA, the company filed a writ petition in the Hon'ble High Court of Delhi Challenging the aforesaid demand. The Hon'ble High Court, vide its order dated 4<sup>th</sup> December, 2006 set-aside the matter to DDA for reconsideration. DDA vide Notice dated 12.01.2010 demanded a sum of ₹ 398.46 lacs (excluding interest) towards ground rent upto the period 14.07.2010. Aggrieved by the said demand, the company again filed a writ petition in the Hon'ble High Court of Delhi which vide its order dated 31.05.2010 stayed the operations of the order of DDA subject to company depositing a sum of ₹ 100 Lacs. As per the direction of Hon'ble high court, the company has deposited the said amount of ₹ 100 lacs on 10.06.2010.  
The matter is pending for final disposal by the Hon'ble Court. The liability will be determined only after the disposal of matter by the Hon'ble High Court of Delhi; and therefore at this stage, in the opinion of management any further provision is neither considered necessary nor ascertainable. The effect of any arrear/excess amount will be taken after the decision of the Hon'ble Court.
- Claim against the company not acknowledged as debt ₹ 2,77,55,293/- (Previous Year ₹ 2,77,55,293/-)
- Letter of Credit/Bank guarantee issued by bank ₹ 3,24,56,440/- (previous year ₹ 6,38,69,032/-).

## 29.2 Related Party Transactions:

### Related party disclosures

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

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

- Key Managerial Personnel
  - Mr. Praveen Gupta -CFO
  - Mr. Rajesh Singh Chahar, Company Secretary
- Person having significant influence/control/major shareholders
  - Sh. Lalit Bhasin
- Enterprises over which significant influence/control exist of the relatives of persons mentioned in (b) above
  - RRB Master Securities Delhi Ltd.
- Enterprises under direct or indirect common control/significant influence
  - HB Stockholdings Ltd.
  - HB Portfolio Ltd.
  - HB Securities Ltd. (Subsidiary of HB Portfolio Ltd.)
  - HB Leasing & Finance Co Ltd.
  - RRB Securities Ltd.
  - RRB Masterholdings Ltd. (Subsidiary of RRB Securities Ltd.)
  - HB Corporate Services Ltd.
- Enterprises under Joint ventures/Associate Company
  - Parsvnath HB Projects Pvt. Ltd.-Associate

### 29.2 (b) Transactions during the year with related party.

Nature of Transaction	Referred to in (a) above	Referred to in (b) above	Referred to in (c) above	Referred to in (d) above	Referred to in (e) above
Remuneration & other services	3371685	Nil	Nil	Nil	Nil
	(3341811)	(Nil)	(Nil)	(Nil)	(Nil)
Sitting Fee	Nil	50000	Nil	Nil	Nil
	(Nil)	(50000)	(Nil)	(Nil)	(Nil)
Rent Received	Nil	Nil	766622	2153040	Nil
	(Nil)	(Nil)	(753744)	(2153040)	(Nil)
Rent Paid	Nil	Nil	Nil	Nil	Nil
	(Nil)	(240000)	(Nil)	(Nil)	(Nil)
Sale of Investment through them	Nil	Nil		Nil	Nil
	(Nil)	(Nil)	(210948403)	(Nil)	(Nil)
Purchase of Investment through them	Nil	Nil		Nil	Nil
	(Nil)	(Nil)	(16635678)	(Nil)	(Nil)
Net Turnover of Derivative Trading/ Share Trading	Nil	Nil		Nil	Nil
	(Nil)	(Nil)	(9040349)	(Nil)	(Nil)
DP Charges paid	Nil	(Nil)	Nil	1838	Nil
	(Nil)	Nil	(Nil)	(123349)	(Nil)
Interest paid on Loan	Nil	Nil	Nil	10800000	Nil
	(Nil)	(Nil)	(Nil)	(10800000)	(Nil)
Repayment of Advances/ Margin during the year (Net)	Nil	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(41150000)	(146500000)	Nil
Interest Paid on Margin Funding during the year	Nil	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	(2623259)	(1419540)	Nil
Advance/Margin received during the year (Net)	Nil	Nil	Nil	Nil	Nil
	(Nil)	Nil	(3453179)	(4500000)	(Nil)



Nature of Transaction	Referred to in (a) above	Referred to in (b) above	Referred to in (c) above	Referred to in (d) above	Referred to in (e) above
Security Deposit received during the year	Nil	Nil	73278	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Security Deposit repaid during the year	Nil	Nil	Nil	5750000	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Interest Income Received	Nil	Nil	Nil	Nil	3551324
	(Nil)	(Nil)	(Nil)	(Nil)	(116784)
Loan received during the year	Nil	215000000	Nil	Nil	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Loan repaid during the year	Nil	115000000	Nil	5750000	Nil
	(Nil)	(Nil)	(Nil)	(Nil)	(Nil)
Outstanding in respect of Loan including interest accrued as on 31.03.2016 (Payable)	Nil	100000000	Nil	92396712	Nil
	(Nil)	(Nil)	(Nil)	(92396712)	(Nil)
Outstanding in respect of Loan and advances including interest accrued thereon (Receivable)	Nil	Nil	Nil	Nil	14196181
	(Nil)	(Nil)	(Nil)	(Nil)	(10894884)
Outstanding payable in respect of security deposit received	Nil	Nil	215763	80450000	Nil
	(Nil)	(Nil)	(142485)	(86200000)	(Nil)

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

- (i) Short Term borrowing includes loan taken from HB Portfolio Ltd. ₹ 9,00,00,000/- (previous year ₹ 9,00,00,000/-); Interest accrued but not due thereon ₹ 23,96,712/- (previous year ₹ 23,96,712/-). (ii) Security Deposits received includes ₹ 3,45,00,000/- (previous year ₹ 3,45,00,000/-) from HB Stockholdings Ltd.; ₹ 3,45,00,000/- (previous year ₹ 3,45,00,000/-) from HB Portfolio Ltd.; ₹ 57,50,000/- (previous year ₹ 1,15,00,000/-) from HB Leasing & Finance Co. Ltd.; ₹ 57,00,000/- (previous year ₹ 57,00,000/-) from RRB Securities Ltd. and ₹ 2,15,763/- (previous year ₹ 1,42,485/-) from RRB Master Securities Delhi Ltd. (iii) Short term Loan and advances includes ₹ 1,41,96,181/- (Previous Year ₹ 1,08,94,884/-) from Parsvnath HB Projects Pvt. Ltd. (iv) Unsecured Loan from director includes ₹ 10,00,00,000/- (Previous Year ₹ Nil) from Mr. Lalit Bhasin.

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

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

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)	As at 31 <sup>st</sup> March 2015 (In ₹)
Stores and Operating Supplies	730693	1618162
Capital Goods	1581781	3201363

(b) Expenditure in foreign currency

Particulars	Year ended 31 <sup>st</sup> March 2016 (In ₹)	Year ended 31 <sup>st</sup> March 2015 (In ₹)
Professional & Technical Fees	514936	3636147
Advertisement	3551980	3823580
Others	3199334	2528167

(c) Earning in Foreign Currency:

Particulars	Year ended 31 <sup>st</sup> March 2016 (In ₹)	Year ended 31 <sup>st</sup> March 2015 (In ₹)
Sale/revenue	239806214	190284238

(d) Dividend paid in foreign currency- Nil (Previous Year Nil).

29.4 Disclosure pursuant to Accounting Standard - 15

(a) Defined Contribution Plan

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

Particulars	Current Year (in ₹)	Previous Year (in ₹)	Head under which shown in statement of Profit & Loss
Contribution to Provident Fund	1898011	1505820	Contribution to Provident Fund & other fund.

(b) Defined Benefit Plan

Movement in net liability

Particulars	Gratuity (Funded) ₹		Leave Encashment (Unfunded) ₹	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligations as at the beginning of the year (A)	1962095	2231671	1520073	845757
Adjustment for increase (decrease) in opening obligation (B)		Nil	Nil	Nil
Interest Cost (C)	156968	178534	121606	67661
Current service cost (D)	765714	859111	700004	779072
Benefits paid (E)	-83787	-93462	-150587	-274952
Actuarial loss/ (gain) on obligation (F)	-592179	-1213759	-851109	102535
Present value of obligations as at the end of the year (G=A+B+C+D-E+F)	2208811	1962095	1339987	1520073

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

Particulars	Gratuity (Funded) ₹		Leave (Unfunded) ₹	
	Current Year	Previous Year	Current Year	Previous Year
Present value of obligation (A)	2208811	1962095	1339987	1520073
Estimated fair value of plan assets (B)	77591	59831	Nil	Nil
Net Liability (C=A-B)	2131220	1902264	1339987	1520073
<b>Amounts in the Balance Sheet</b>				
Liabilities	2131220	1902264	1339987	1520073
<b>Amount charged to Profit &amp; Loss Account</b>				
Current Service Cost	765714	859111	700004	779072
Interest Cost	156968	178534	121606	67661
Expected Return on Plan Asset	-10310	-11649	Nil	Nil
Actuarial(Gain)/Loss	-592179	-1213759	-851109	102535
Adjustment	0	0	0	3265
	320193	-187763	-29499	952533
Head under which shown in the Profit & Loss account	Contribution to Provident Fund and other Funds		Salary & benefits	

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

Particulars	Gratuity	
	Current Year	Previous Year
i) Actual return on plan assets	10310	11649

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

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

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

Particulars	Gratuity	
	Current Year	Previous Year
Opening Fair Value of Plan Assets	59831	117633
Expected Return on Plan Assets	10310	11649
Actuarial Gains / (Losses)	Nil	Nil
Contribution by the Employer	308113	24011
Benefits Paid	300663	93462
Closing Fair Value of Plan Assets	77591	59831

**29.5 Foreign Currency Exposures**

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

Particulars	Foreign Currency (FC)	Amount in FC	Amount in ₹
Trade Payable	USD	Nil (6967)	Nil (438952)

There are no hedged foreign currency exposure.

Figures in brackets relate to the Previous Year.

**29.6 Disclosure of Loans/Advances in the nature of loans in terms of provision of regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Particulars	Outstanding Balance as on 31.03.2016	Max. Balance outstanding during the year	Outstanding Balance as on 31.03.2015	Max. Balance outstanding during the previous Year
i. Loans & Advances in the nature of Loans to subsidiaries:-	Nil	Nil	Nil	Nil
ii. Loans & Advances in the nature of loans to Associates:- - Parsvnath HB Projects Private Limited	14196182	14196182	10894884	10894884
iii. Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 372A of the Companies Act, 1956	Nil	Nil	Nil	Nil
iv. Loans & Advances in the nature of loans to firms/ companies in which directors are interested.	Nil	Nil	Nil	Nil
v. Investments by Loanee in the Shares of parent company and subsidiary company when the company has made loan or advance in the nature of Loan.	No. of Shares Nil	Amount Nil	No. of Shares Nil	Amount Nil

**29.7 Detail of consumption of imported and indigenous items:**

Particulars	Current Year		Previous Year	
	Amount	% of consumption	Amount	% of consumption
<b>(i) Raw Materials</b>				
Imported	0	0.00	0	0
Indigenous	70415350	100.00	55130853	100
<b>Total</b>	<b>70415350</b>	<b>100.00</b>	<b>55130853</b>	<b>100.00</b>

**(ii) Stores and Supplies**

Imported	310438	0.95	1618162	5.06
Indigenous	32510845	99.05	30346291	94.94
<b>Total</b>	<b>32821283</b>	<b>100.00</b>	<b>31964453</b>	<b>100.00</b>

**29.8 Disclosure pursuant to Accounting Standard AS-19 for Leases: -**

The company generally enters into cancellable operating lease of office premises and residence of the employees normally renewable on expiry. Lease payments amounting to ₹ 61,08,180/- (Previous Year ₹ 75,20,174/-) made under operating lease have been recognized as an expense.

**29.9 Pending Litigations:**

The Contingent liability in respect of pending litigations is disclosed in note no. 29.1 (a),(b)(c) and (d). In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that the above legal claims and proceedings, when ultimately concluded and decided will have a material and adverse effect on the company's results of operations or financial statements.

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

**29.11** The Board of director of the Company in their meeting held on 10/02/2016 has approved a composite scheme of arrangement between HB Estate Developers Ltd., HB Stockholding Ltd. and HB Portfolio Ltd and their respective members and creditors under section 391 to 394 read with section 101 to 104 of the Companies Act 1956 or any corresponding provisions of Companies Act 2013.

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

**As per our Report of even date attached herewith**

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

FOR AND ON BEHALF OF THE BOARD

AMIT GOEL  
PARTNER  
(Membership No. 092648)

JML SURI  
Director  
DIN:00002373

ANIL GOYAL  
Director  
DIN:00001938

PLACE : GURGAON  
DATED : 26.05.2016

PRAVEEN GUPTA RAJESH SINGH CHAHAR  
Chief Financial Officer Company Secretary



## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

### TO THE MEMBERS OF

#### HB ESTATE DEVELOPERS LIMITED

#### 1. Report on the Consolidated Financial Statements.

We have audited the accompanying consolidated financial statements of **HB ESTATE DEVELOPERS LIMITED** (hereinafter referred to as "the Holding Company") and its associate, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

#### 2. Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### 3. Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### 4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group and its associate as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

#### 5. Other matters

- (a) The consolidated financial statements include the Group's share of net loss of Rs. 2,40,200/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by the other auditor whose report have been furnished to us by the Management and our opinion on /the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such audited financial statements / financial information. (Also refer note no.29.1).

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and certificate from management of associate company where the financial statements are audited, none of the directors of the Group companies and its associate company is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Consolidated financial statements disclosed the impact of pending litigations on the consolidated financial position of the Group and its associate. - Refer Note 29.10 to the consolidated financial statements;
  - ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For P. BHOLUSARIA & CO.**

**Chartered Accountants**

**Firm Registration No. 000468N**

**AMIT GOEL**

**PARTNER**

**Place : Gurgaon**

**Date : 26.05.2016**

**(Membership No. 092648)**

### Annexure - A to the Auditors' Report

#### Report on the Internal Financial Control under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, We have audited the internal financial controls over financial reporting of HB Estate Developers Limited ("the Holding Company") and its associate company which is company incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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



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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Holding Company and its associate company, 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**AMIT GOEL**  
**PARTNER**

(Membership No. 092648)

Place : Gurgaon  
Date : 26.05.2016

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

Particulars	Note	AS AT 31 <sup>st</sup> MARCH, 2016 (₹)
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' Funds</b>		
Share Capital	2	964120308
Reserves and Surplus	3	9649572
		<b>973769880</b>
<b>Non-Current Liabilities</b>		
Long-Term Borrowings	4	2919957348
Deferred Tax Liabilities (Net)	5	183696292
Other Long Term Liabilities	6	103388338
Long Term Provisions	7	3323471
		<b>3210365449</b>
<b>Current Liabilities</b>		
Short-Term Borrowings	8	90000000
Trade Payables	9	156072211
Other Current Liabilities	10	274452782
Short Term Provisions	11	147726
		<b>520672719</b>
		<b>4704808048</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
<b>Fixed Assets</b>	12	
Tangible Assets		4171128326
Intangible Assets		8147190
Non-current investments	13	60118477
Long term loans and advances	14	9837008
Other Non Current Assets	15	63278931
		<b>4312509932</b>
<b>Current Assets</b>		
Inventories	16	189233070
Trade receivables	17	55138332
Cash and Bank Balances	18	57656682
Short-Term Loans and Advances	19	89955281
Other Current Assets	20	314751
		<b>392298116</b>
		<b>4704808048</b>

**SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON  
ACCOUNTS**

1 to 29

The accompanying notes form an integral part of the consolidated financial statements  
As Per our Report attached on even date  
For P BHOLUSARIA & Co.  
FOR AND ON BEHALF OF THE BOARD  
CHARTERED ACCOUNTANTS  
Firm Registration No. : 000468N

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

**JML SURI**  
Director  
DIN:00002373

**ANIL GOYAL**  
Director  
DIN:00001938

PLACE : GURGAON  
DATED : 26.05.2016

**PRAVEEN GUPTA**  
Chief Financial Officer

**RAJESH SINGH CHAHAR**  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE  
YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

Particulars	Note	31 <sup>st</sup> MARCH, 2016 (₹)
Revenue from Operations	21	680018265
Other Income	22	21430289
<b>Total Revenue</b>		<b>701448554</b>
<b>Expenses:</b>		
Food and Beverages Consumed	23	70415350
Changes in inventories of		
Finished Goods/ Stock-in-Trade	24	0
Employee Benefit Expense	25	162096799
Finance Costs	26	305014438
Depreciation and Amortization	12	150466320
Other Expenses	27	294206478
<b>Total Expenses</b>		<b>982199385</b>
<b>Profit/(Loss) for the year before tax and exceptional items</b>		<b>-280750831</b>
<b>Exceptional items</b>		
Profit/(Loss) on sale of Long Term/Non Current Investments		3790317
<b>Profit/(Loss) for the year before tax and after exceptional items</b>		<b>-276960514</b>
<b>Tax expense:</b>		
Current tax		0
Deferred Tax Charge		31334788
<b>Profit/(Loss) for the year after tax before Share of Profit/(Loss) in Associates</b>		<b>(308295302)</b>
<b>Earning per equity share:</b>	28	
Equity share of Par value ₹ 10/- each (Before Exceptional item) in ₹		
Basic		(19.35)
Diluted		(19.35)
(After Exceptional item) in ₹		
Basic		(19.12)
Diluted		(19.12)
Number of equity shares used in computing earning per share		
Basic		16138287
Diluted		16138287

**SIGNIFICANT ACCOUNTING  
POLICIES AND NOTES ON  
ACCOUNTS**

1 to 29

The accompanying notes form an integral part of the consolidated financial statements  
As Per our Report attached on even date  
For P BHOLUSARIA & Co.  
FOR AND ON BEHALF OF THE BOARD  
CHARTERED ACCOUNTANTS  
Firm Registration No. : 000468N

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

**JML SURI**  
Director  
DIN:00002373

**ANIL GOYAL**  
Director  
DIN:00001938

PLACE : GURGAON  
DATED : 26.05.2016

**PRAVEEN GUPTA**  
Chief Financial Officer

**RAJESH SINGH CHAHAR**  
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2016

PARTICULARS	(AMOUNT IN ₹) YEAR ENDED 31 <sup>ST</sup> MARCH 2016
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit/(Loss) before tax, extraordinary items	(277200714)
Adjustment for :	
Depreciation/Amortisation	150466320
Loss/(Profit) on sale of fixed assets	4059
Interest/Dividend Received	(9983889)
Interest Paid	305014438
Profit/Loss on sale of long term/non current investments	(3790317)
Provision for Employees Benefit	(44602)
Operating Profit before Working Capital Changes	164465295
Adjustments for :	
Trade & other receivables/Assets	(25153652)
Inventories	(6208828)
Trade Payables & other Liabilities	50279405
Cash generated from operations	183382220
Direct Tax Paid	(11034134)
<b>Net Cash from operating activities (A)</b>	<b>172348086</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>	
Capital Work in progress/Purchase of Fixed Assets	(20116526)
Sale of Fixed Assets	38960
Sale/decrease of Investments	21896438
Change in other non-current assets	23564860
Change in Loan and advances/other assets	(2607520)
Change in Loan and advances/other Liabilities	(866425)
Interest Received	9983889
<b>Net Cash received in Investing activities (B)</b>	<b>31893676</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Borrowings (Net)	107705662
Interest paid	(305014438)
<b>Net Cash used in Financing Activities (C)</b>	<b>(197308776)</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>6932986</b>
<b>Increase/(Decrease) in Cash &amp; Cash equivalents on Amalgamation</b>	
CASH & CASH EQUIVALENTS	
<b>(OPENING BALANCE)</b>	<b>45401729</b>
CASH & CASH EQUIVALENTS	
<b>(CLOSING BALANCE)</b>	<b>52334715</b>
<b>Components of cash and cash equivalents at the end of the year</b>	
Cash on hand	597373
<u>Balances with scheduled banks :</u>	
-In current and deposit accounts	51737342
	<u>52334715</u>

The accompanying notes form an integral part of the consolidated financial statements

As per our Report of even date attached herewith

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

FOR AND ON BEHALF OF THE BOARD

AMIT GOEL  
PARTNER  
(Membership No. 092648)

JML SURI  
Director

ANIL GOYAL  
Director

PLACE : GURGAON  
DATED : 26.05.2016

PRAVEEN GUPTA  
Chief Financial Officer

RAJESH SINGH CHAHAR  
Company Secretary





## HB ESTATE DEVELOPERS LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016

#### 1 SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

##### 1.1 PRINCIPLES OF CONSOLIDATION

The consolidated Financial Statements relate to HB Estate Developers Ltd. (the company) and its associate company Parsvnath HB Projects Pvt. Ltd. The consolidated financial statements have been prepared in accordance with Accounting Standard (AS-21) "Consolidated Financial Statements" on the following basis:

- As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in the similar circumstances and are presented to, in the same manner as the company's separate financial statements.
- In the case of associates, where the company directly or indirectly through subsidiaries holds more than 20% of the equity (except where significant influence does not exist), Investments in Associates are accounted for using equity method in accordance with the Accounting Standard (AS)-23 "Accounting for Investments in Associates in Consolidated Financial Statements".
- The company accounts for its shares in the change in net assets of the associates, post acquisition after eliminating unrealized profit & loss resulting from transaction between the company and its associates to the extent of its share, through its profit & loss account to the extent such change in attributable to the associate's profit and loss account and through its reserves for the balance, based on available information.

##### 1.2 INVESTMENTS

Investments other than in associates have been accounted as per Accounting Standard (AS)-13 "Accounting for Investment"

##### 1.3 OTHER SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

###### a) BASIS OF ACCOUNTING

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

###### b) USE OF ESTIMATES

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

##### 1.4 REVENUE RECOGNITION

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

##### 1.5 FIXED ASSET

Fixed Assets are stated at cost less depreciation/amortisation and impairment losses, if any. Borrowing cost during the period of construction is added to the cost of eligible tangible assets.

##### 1.6 DEPRECIATION/AMORTISATION

###### 1.6a Tangible Assets

Depreciation is provided on Straight Line Method over the useful life of assets in the manner prescribed in Schedule II to the Companies Act, 2013.

###### 1.6b Intangible Assets

Intangible Assets (Software) are amortised over a period of five years.

##### 1.7 INVENTORIES

Inventories (real estate) are valued at lower of cost or fair market value/ net realisable value.

Stock of Food & Beverages and stores and operating supplies are carried at cost or net realizable value whichever is lower.

##### 1.8 INVESTMENTS

Investments (Long-Term/Non Current) are valued at cost less permanent diminution, if any.

Investments (Current) are valued at lower of cost or fair market value.

##### 1.9 EMPLOYEE BENEFITS

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

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

##### 1.10 TAXATION

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

##### 1.11 IMPAIRMENT OF FIXED ASSETS

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

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

##### 1.12 CONTINGENCIES

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

##### 1.13 BORROWING COSTS

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

##### 1.14 FOREIGN CURRENCY TRANSACTION

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



## HB ESTATE DEVELOPERS LIMITED

### NOTES ON CONSOLIDATED ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2016

#### 2. SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March, 2016 (In ₹)
<b>AUTHORIZED</b>	
3,50,00,000 Equity Shares of ₹ 10/- each.	350000000
80,00,000 Redeemable Preference Shares of ₹ 100/- each	800000000
	1150000000
<b>ISSUED</b>	
1,69,67,625 Equity Shares of ₹ 10/- each.	169676250
30,00,000 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each	300000000
50,00,000 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II of ₹ 100/- each	500000000
	969676250
<b>SUBSCRIBED &amp; PAID UP</b>	
1,61,38,287 Equity Shares of ₹ 10/- each fully paid up (See Note 2.1)	161382870
Add: Forfeited shares- 8,29,338 Equity Shares (Amount originally paid up)	2737438
30,00,000 9% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹ 100/- each fully paid up (See Note 2.2)	300000000
50,00,000 9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II of ₹ 100/- each fully paid up (See Note 2.3)	500000000
<b>Total in</b>	<b>964120308</b>

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

2.1 Equity Shares is having par value of ₹ 10/ each. Holder of Equity Shares is entitled to One vote per share. The dividend Proposed, if any, by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting. In the event of the Liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Equity Shares include 40,95,995 Equity Shares of ₹ 10 each fully paid up, issued and allotted for consideration other than cash pursuant to Scheme of amalgamation of erstwhile Pisces Portfolios Pvt. Ltd. with the company during financial year 2014-15

— Reconciliation of the number of Equity Shares outstanding and Amount of Equity Share Capital as on 31st March 2016 is as under:

Particulars	As at 31 <sup>st</sup> March 2016
	No. of Shares Amount (₹)
Number of shares at the beginning	16138287 161382870
Add: Issued and allotted pursuant to Scheme of Amalgamation	0 0
Number of shares at the end	16138287 161382870

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

Name of Shareholder	As at 31 <sup>st</sup> March 2016
	No. of Shares Held % of holding
Lalit Bhasin	7414473 45.94
HB Stockholdings Ltd.	1615608 10.01
HB Portfolio Ltd	2041587 12.65

2.2 Preference Shares having par value of ₹ 100/- were allotted on 29th March 2013. The Preference Shares carries 9% coupon rate of dividend (non-cumulative). The holders of Preference Shares shall not be entitled to receive notice of or to attend and vote at General meetings of the Equity Shareholders of the Company. The holders of Preference Shares shall be entitled to attend meetings and vote (one vote per share) only on the Resolutions directly affecting their rights. Also the Preference Shareholders shall not be entitled to any bonus or right issue etc. of Equity Shares or other securities of the Company. The Preference Shares shall carry a preferential right over the Equity Shares of the Company as regards to payment of dividend and as regards to repayment of the capital in the event of winding up of the Company. The tenure of the Preference Shares will be 10 years from the date of allotment. The Preference Shares will be redeemed at par in two equal installments i.e. 50% at the end of 9th year from the date of allotment and remaining 50 % at the end of 10th year from the date of allotment.

— Reconciliation of the number of Preference Shares outstanding and Amount of Preference Share Capital as on 31st March 2016 is as under:

Particulars	As at 31 <sup>st</sup> March 2016
	No. of Shares Amount (₹)
Number of shares at the beginning	3000000 300000000
Number of shares issued during the year	0 0
Number of shares at the end	3000000 300000000

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

Name of Shareholder	As at 31 <sup>st</sup> March 2016
	No. of Shares Held % of holding
HB Stockholdings Ltd.	750000 25.00
Aquarius Portfolios Pvt. Ltd.	450000 15.00
Gemini Portfolios Pvt. Ltd	300000 10.00
HB Portfolio Ltd.	750000 25.00
Merrygold Investments Ltd.	750000 25.00

2.3 Preference Shares having par value of ₹ 100/- were allotted in March 2015. The Preference Shares carries 9% coupon rate of dividend (non-cumulative). The holders of Preference Shares shall not be entitled to receive notice of or to attend and vote at General meetings of the Equity Shareholders of the Company. The holders of Preference Shares shall be entitled to attend meetings and vote (one vote per share) only on the Resolutions directly affecting their rights. Also the Preference Shareholders shall not be entitled to any bonus or right issue etc. of Equity Shares or other securities of the Company. The Preference Shares shall carry a preferential right over the Equity Shares of the Company as regards to payment of dividend and as regards to repayment of the capital in the event of winding up of the Company. The tenure of the Preference Shares will be 10 years from the date of allotment. The Preference Shares will be redeemed at par at the end of 10th year from the date of allotment.

— Reconciliation of the number of Preference Shares Series-II outstanding and Amount of Preference Share Capital as on 31st March 2016 is as under:

Particulars	As at 31 <sup>st</sup> March 2016
	No. of Shares Held % of holding
Number of shares at the beginning	5000000 500000000
Number of shares issued during the year	0 0
Number of shares at the end	5000000 500000000

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

Name of Shareholder	As at 31 <sup>st</sup> March 2016
	No. of Shares Held % of holding
Gemini Portfolios Pvt. Ltd	2000000 40.00
Aquarius Portfolios Pvt. Ltd.	1000000 20.00
Venus Portfolios Pvt. Ltd	2000000 40.00

#### 3. RESERVES AND SURPLUS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
Capital Reserve	23039795
	23039795
Capital Redemption Reserve	20000000
	20000000
Securities Premium Reserve	555742116
	555742116
General Reserve	668199083
	668199083
Statutory Reserve	125903413
	125903413
Surplus -Opening Balance	-1074699333
Add: Net Profit/(Loss) after tax transferred from Statement of Profit & Loss	-308535502
Surplus-Closing balance	-1383234835
<b>Total in ₹</b>	<b>9649572</b>

\* Created in earlier years under section 45IC of Reserve Bank of India (Amendment) Act 1997 by way of transfer of specified percentage of profits by erstwhile company Pisces Portfolios Pvt. Ltd. which was amalgamated with the company in the earlier year.

## 4. LONG TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)			
	Non-Current	Current		
<b>(A) SECURED LOANS:</b>				
<b>Term Loans From Bank-</b>				
- Vehicle Loan from HDFC Bank (1)	0	73069		
- Vehicle Loan from ICICI Bank (2)	0	32618		
- Term Loan from Yes Bank- (I) (3)	685600000	189320000		
- Term Loan from Yes Bank- (II) (3)	780000000	16000000		
<b>Total-A</b>	<b>1465600000</b>	<b>205425687</b>		
<b>(B) UNSECURED LOANS</b>				
- Overdraft from State Bank of India (4)	149632348	0		
- Term Loan from Religare Finvest Limited (5)	144000000	0		
- Intercompany Loans & Advances (6)	1060725000	0		
- Loan from Director (7)	100000000	0		
<b>Total-B</b>	<b>1454357348</b>	<b>0</b>		
<b>Total (A+B)</b>	<b>2919957348</b>	<b>205425687</b>		
<b>- Maturity Profile of Secured Term Loan from banks are as under:</b>				
	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>Beyond 4 year</b>
- Vehicle Loan from HDFC Bank	Nil	Nil	Nil	Nil
- Vehicle Loan from ICICI Bank	Nil	Nil	Nil	Nil
- Term Loan from Yes Bank (I) (Rs. 100 Crore)	214320000	214320000	214320000	42640000
- Term Loan from Yes Bank (II) (Rs. 80 Crore)	28000000	32000000	56000000	664000000
<b>- Maturity Profile of Unsecured Loans are as under:</b>				
	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>Beyond 4 year</b>
- Overdraft from State Bank of India	2600000	8600000	17100000	121332348
- Term Loan from Religare Finvest Limited	Nil	25926756	26726642	91346602

(1) **Vehicle Loan From HDFC Bank**

Secured by way of hypothecation of Vehicle Financed. The Rate of Interest is 10% P.A. Repayable in 36 monthly installments. Last installment due in May 2016.

(2) **Vehicle Loan From ICICI Bank**

Secured by way of hypothecation of Vehicle Financed. The Rate of Interest is 9.75% P.A. Repayable in 36 monthly installments. Last installment due in April 2016.

(3) **Term Loans From Yes Bank**

Secured by way of exclusive charge on company's hotel land and hotel building situated in sector 44 Gurgaon, exclusive charge on company's land and building situated at Sector 32, Gurgaon, exclusive charge on all present and future moveable fixed assets and current assets of the project (Taj Vivanta Hotel), exclusive charge on rentals, all receivables and other current assets accruing from property located at sector 32, Gurgaon; personal guarantee of director Mr. Lalit Bhasin, Non Disposal Undertaking (NDU) of entire shareholding of the company held by Mr. Lalit Bhasin, negative lien on his entire shareholding in the company for entire tenor of loan facility. The Rate of Interest is 12.50% P.A.

The Term Loan disbursed was of Rs. 100 Crore repayable in 56 monthly installments starting from October 2015. Last installment due in May 2020.

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

(4) **Overdraft Facility from State Bank of India.**

Secured by way of equitable mortgage of Residential Property bearing no. C-2/7, Safdarjung Development Area, New Delhi belonging to Sh. Lalit Bhasin - director of the company and also his personal guarantee. The Rate of Interest is 11.80% P.A. The total loan tenure is of 7 years 10 months. The loan is repayable in 27 quarterly unequal installments starting from 1st quarter of 2017-18 and last installment due in 3rd quarter of 2023-24.

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

Secured by way of mortgage of Property at Plot No. BP-8, Feroze Gandhi Road Lajpat Nagar-III, New Delhi belonging to Sh. Lalit Bhasin - director of the company. The Rate of Interest is 13.45% P.A. The loan is repayable in 6 annual unequal installments starting from 1st March 2019 and last installment due on 1st March 2024.

(6) **Intercompany Loans and Advances are interest free and are repayable beyond 3 years.**(7) **Interest free Loan from Director Sh. Lalit Bhasin is repayable beyond 3 years.**

## 5. DEFERRED TAX LIABILITY

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Liability</b>	
Fixed Assets	184768892
<b>Less: Assets</b>	
Leave Encashment/Gratuity	1072600
<b>Net Deferred Tax Liability</b>	<b>183696292</b>

## 6. OTHER LONG TERM LIABILITIES

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
Security Deposits*	103388338
<b>Total in ₹</b>	<b>103388338</b>

\* include due to related parties ₹ 8,06,65,763/- (refer note no.29.3)

## 7. LONG TERM PROVISIONS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Provisions For Employees Benefit</b>	
Leave Encashment	1192261
Gratuity (net)	2131210
<b>Total in ₹</b>	<b>3323471</b>

## 8. SHORT TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Unsecured</b>	
<b>From Related Party (Refer Note No.29.3)</b>	
Intercompany Loan	90000000
<b>Total in ₹</b>	<b>90000000</b>

## 9. TRADE PAYABLES

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
Due to Micro, Small & Medium Enterprises (Refer Footnote (i) & (ii))	1977566
Others	154094645
<b>Total in ₹</b>	<b>156072211</b>

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

(ii) The disclosure relating to Micro, Small & Medium enterprises is as under:

Particulars	Current Year
(i) Principal amount remaining unpaid to any suppliers as at the end of the accounting year.	1977566
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	Nil
(iv) The amount of interest due and payable for the year	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	Nil

**10. OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
Current Maturities of Long term Debts (Refer Note No.4)	205425687
Interest Accrued but not due on borrowings	21820344
Unclaimed Dividend *	5321967
Expenses Payable	22837947
Security Deposits	720919
Advances from Customers	7175927
Statutory Dues	11149991
<b>Total in ₹</b>	<b>274452782</b>

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

**11. SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Provisions For Employees Benefit</b>	
Leave Encashment	147726
<b>Total in ₹</b>	<b>147726</b>

**12. FIXED ASSETS**

(Amount in ₹)

S. No.	Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.2015	Additions during the year	Adjustment during the year	As at 31.03.2016	As at 01.04.2015	For the year	Adjustment during the year	Total for the year	Upto 31.03.2016	As at 31.03.2016
<b>A.</b>	<b>Tangible Assets</b>										
1	Freehold Land	1553037422	0	0	1553037422	0	0			0	1553037422
2	Building	1856389310	9245137	0	1865634447	62365664	29475949	0	29475949	91841613	1773792834
3	Plant & Equipments	528299937	3489838	0	531789775	59637495	34239790	0	34239790	93877285	437912490
4	Furniture & Fixtures	591383613	3541245	0	594924858	132376548	72168511	0	72168511	204545059	390379798
5	Vehicles	5096466	0	0	5096466	1660184	653686	0	653686	2313870	2782596
6	Office Equipments	2356492	622940	0	2979432	1774928	319738		319738	2094666	884765
7	Computers	39690548	1537514	49350	41178712	18557407	10289215	-6331	10282884	28840291	12338421
8	<b>Total Tangible Assets (A)</b>	<b>4576253786</b>	<b>18436674</b>	<b>49350</b>	<b>4594641110</b>	<b>276372226</b>	<b>147146889</b>	<b>-6331</b>	<b>147140558</b>	<b>423512784</b>	<b>4171128326</b>
<b>B.</b>	<b>Intangible Assets</b>										
1	Softwares	15806015	1679852	0	17485867	6019246	3319431	0	3319431	9338677	8147190
	<b>Total Intangible Assets (B)</b>	<b>15806015</b>	<b>1679852</b>	<b>0</b>	<b>17485867</b>	<b>6019246</b>	<b>3319431</b>	<b>0</b>	<b>3319431</b>	<b>9338677</b>	<b>8147190</b>
	<b>Total (A+B)</b>	<b>4592059802</b>	<b>20116526</b>	<b>49350</b>	<b>4612126978</b>	<b>282391472</b>	<b>150466320</b>	<b>-6331</b>	<b>150459989</b>	<b>432851461</b>	<b>4179275516</b>

**13. NON CURRENT INVESTMENTS**

Name of the Company	Face Value (₹)	As at 31 <sup>st</sup> March 2016	
		Qty.(Nos.)	Amount (In ₹)
<b>- Long Term Investments (at cost)</b>			
<b>A. TRADE</b>			
<b>A.1 Investments in Equity Instruments</b>			
- Fully Paid up Equity Shares in associate co. (Unquoted) Parsvnath HB Projects Pvt. Ltd.	10	24020	240200
Add (Less) : Graph share of profit losses upto 31.03.2016			(240200)
<b>Total-A (Trade)</b>		24020	0
<b>B. OTHER THAN TRADE</b>			
<b>B.1 Investments in Equity Instruments</b>			
<b>Fully Paid up Equity Shares</b>			
<b>Quoted</b>			
Royal Orchid Hotels Ltd	10	496	81840
RRB Securities Ltd.	10	86100	8610000
Bellary Steel and Alloys Ltd. (*)	1	100000	458443
Hotline Glass Ltd. (*)	10	10000	34318
Jaiprakash Power Ventures Ltd. (*)	10	1543674	48944935
Mawana Sugar Ltd (*)	10	23842	286055
Shree Ram Urban Infrastructure Ltd. (*)	10	1000	261136
<b>Unquoted</b>			
CHL (South) Hotels Ltd. (*)	10	100000	1000000
QR Properties Pvt Ltd (*)	10	5900	59000
HB Prima Capital Ltd. (*)	10	195000	282750
<b>B.2 Investments in Mutual Fund</b>			
<b>Unquoted Fully Paid up Units</b>			
Taurus Dynamic Income Fund (*)	10	7776	100000
<b>Total-(B) (Other Than Trade) (B1+B2)</b>		2073788	60118477
<b>Grand Total - (A+B)</b>		2097808	60118477

Aggregate amount of Quoted Investments ₹ 5,86,76,728/- and Market Value thereof ₹ 94,13,334/-

Aggregate amount of unquoted Investment in shares ₹ 16,81,950/-

In the opinion of management, no provision is required to be made for diminution amounting to ₹ 4,95,85,310/- in the value of the long term Investments as the same is temporary.

(\*) Acquired on amalgamation.


**14. LONG TERM LOANS & ADVANCES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Unsecured, Considered Good</b>	
Capital Advances	4380558
Security Deposits	5456450
<b>Total in ₹</b>	<b>9837008</b>

**15. OTHER NON CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
Deposits with Banks*	63278931
<b>Total in ₹</b>	<b>63278931</b>

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

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

Particulars	As at 31 <sup>st</sup> March, 2016 (In ₹)
Completed Construction (Real Estate)	135696216
Food & Beverages	13751445
Stores and Operating Supplies	39785409
<b>Total in ₹</b>	<b>189233070</b>

**17. TRADE RECEIVABLES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Unsecured, considered good</b>	
Outstanding for a period exceeding Six Months	2320662
Others	52817670
<b>Total in ₹</b>	<b>55138332</b>

**18. CASH & BANK BALANCES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Cash &amp; Cash Equivalents</b>	
Cash-on-Hand	597373
Balances with Banks	
- In Current and Deposit Accounts	51737342
Other Bank Balances	
- In Earmarked Dividend Accounts	5321967
<b>Total in ₹</b>	<b>57656682</b>

**19. SHORT TERMS LOANS AND ADVANCES**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
<b>Unsecured, Considered Good</b>	
Loans and Advances to Related Party-Associate*	14196182
Inter Corporate Deposit including accrued interest	26221644
Prepaid Expenses/Expenses recoverable /Advances against supplies/Other recoverable	9075516
Property Tax, Service tax	9257006
Income Tax and Tax deducted at source	31204933
<b>Total in ₹</b>	<b>89955281</b>

\* To Parsvnath HB Projects Pvt. Ltd.

**20. OTHER CURRENT ASSETS**

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
Interest accrued but not due on Bank deposits	314751
<b>Total in ₹</b>	<b>314751</b>

**21. REVENUE FROM OPERATIONS**

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)
<b>Hotel</b>	
Room Income	352734714
Food & Beverages, Restaurant and Banquet Income	287867222
Others	34142568
<b>Real Estate</b>	
Other Operating Income*	5273760
<b>Total in ₹</b>	<b>680018265</b>

\* Includes Rental Income, Facility Charges and Other Claims

**22. OTHER INCOME**

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)
Interest On Fixed Deposits with banks	6252565
Interest on Loans and Deposits	3731324
Other Income	2039901
Exchange rate Variation	1533
Provisions No Longer Required written back	9404966
<b>Total in ₹</b>	<b>21430289</b>

**23. FOOD AND BEVERAGES CONSUMED**

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)
Opening Stock	8569167
Add : Purchases	75597628
Less : Closing Stock	13751445
<b>Total in ₹</b>	<b>70415350</b>

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

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)
Opening Stock	135696216
Less : Closing Stock	135696216
<b>Total in ₹</b>	<b>0</b>

**25. EMPLOYEE BENEFIT EXPENSES**

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)
Salaries and Benefits	82965817
Payment to Contractors	26691110
Reimbursement of expenses on personnel deputed to the Company	32063234
Contribution to Provident fund and other fund	4568979
Staff welfare	15807659
<b>Total in ₹</b>	<b>162096799</b>

**26. FINANCE COSTS**

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)
Interest Expense	275852638
Loan Processing Fees	29161800
<b>Total in ₹</b>	<b>305014438</b>

**27. OTHER EXPENSES**

Particulars	For the Year ended 31 <sup>st</sup> March 2016 (In ₹)
Linen, Room, Catering & Other Supplies/Services	32821283
Facility Management Services	11246000
Legal & Professional	5123521
Payment to Orchestra Staff, Artists & Others	2104313
Communication	6604841
Commission to Travel Agents and Others	4436530





Particulars	For the Year ended 31 <sup>st</sup> March 2016
	(In ₹)
Advertisements	15661625
Printing & Stationery	3853291
Conveyance & Travelling	7929465
Repair & Maintenance :	
To Building	13351728
To Machinery	9176958
To others	14878601
Fuel,Power and Light	74951367
Water Charges	5214739
Listing Fee	224720
Insurance	1962106
Subscription	1271086
Sitting Fees	426479
Miscellaneous	5211032
Vehicle Running & Maintenance	843844
Licence Fees	5053112
Operating Fees	55636253
Auditors' Remuneration	
- Audit Fees	326325
- Tax Audit Fees	57250
- Tax Matters	91675
- Limited Review Report	51375
- Certification & Others	61674
Rates & Taxes	588299
Discount to Collecting Agents	8367442
	7267843
<b>Total in ₹</b>	<b>294206478</b>

## 28. EARNING PER SHARE

Particulars	Current Year (In ₹)
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders before exceptional items	-312085619
Less: Exceptional Items	3790317
Net Profit/(Loss) as Per Statement of Profit and Loss attributable to Equity Shareholders after exceptional items	-308295303
<b>Weighted Average Nos. of Equity Share Outstanding</b>	<b>16138287</b>
<b>Earning Per Share (face value of ₹ 10 each)</b>	
<b>Basic and diluted Earning per share (₹)</b>	
- Before Exceptional Items	-19.34
- After Exceptional Items	-19.10

## 29 Other Notes

29.1 The accompanying Consolidated Financial Statements consider the following Associates Companies.

S No.	Name of Associates Company	Country of Incorporation	Proportion of ownership interest
(i)	Parsvnath HB Projects Pvt. Ltd.	India	49.00%

## 29.2 Contingent liability in respect of:

- (a) Property Tax - ₹ 78,21,151/-  
The total demand raised by MCD was ₹ 83,85,604/-. Against this, the company deposited the admitted liability of ₹ 5,64,453/-. For the balance amount of ₹ 78, 21,151/- the company had filed a Writ Petition before the Hon'ble Delhi High Court. The company had also filed a stay petition before the Hon'ble High Court praying for stay for the payment of aforesaid amount of ₹ 78,21,151/-. As per direction of Hon'ble Court the company paid a sum of ₹ 10,18,477/-against the aforesaid demand and for the balance amount the company had been granted stay. The Hon'ble High Court directed MCD to re-compute the tax. In the opinion of management the demand raised by MCD is not sustainable and no further liability will arise and therefore the aforesaid amount of ₹ 10,18,477/- paid by the company is being shown as recoverable in the Balance Sheet under the head Short Term Loans & Advances.
- (b) Income tax demand for which rectification/appeal has been filed with the appropriate authorities- ₹ 9,43,640/-.
- (c) The company had received a show cause notice dated 17.11.2006 from Delhi Development Authority (DDA) demanding a sum of ₹ 258.68 Lacs (Excluding undetermined interest) on account of ground rent in respect of its property at Plot No. A-2, 3 & 4 in District Centre, Wazirpur, Delhi upto the period 14<sup>th</sup> July, 2006. Aggrieved by show cause notice issued by DDA, the company filed a writ petition in the Hon'ble High Court of Delhi Challenging the aforesaid demand. The Hon'ble High Court, vide its order dated 4<sup>th</sup> December, 2006 set-aside the matter to DDA for reconsideration. DDA vide Notice dated 12.01.2010 demanded a sum of ₹ 398.46 lacs (excluding

interest) towards ground rent upto the period 14.07.2010. Aggrieved by the said demand, the company again filed a writ petition in the Hon'ble High Court of Delhi which vide its order dated 31.05.2010 stayed the operations of the order of DDA subject to company depositing a sum of ₹ 100 Lacs. As per the direction of Hon'ble high court, the company has deposited the said amount of ₹ 100 lacs on 10.06.2010. The matter is pending for final disposal by the Hon'ble Court. The liability will be determined only after the disposal of matter by the Hon'ble High Court of Delhi; and therefore at this stage, in the opinion of management any further provision is neither considered necessary nor ascertainable. The effect of any arrear/excess amount will be taken after the decision of the Hon'ble Court.

- (d) Claim against the company not acknowledged as debt ₹ 2,77,55,293/-  
(e) Letter of Credit/Bank guarantee issued by bank ₹ 3,24,56,440/-

## 29.3 Related Party Transactions:

### Related party disclosures

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

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

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

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

Nature of Transaction	Referred to in (a) above	Referred to in (b) above	Referred to in (c) above	Referred to in (d) above	Referred to in (e) above
Remuneration & other services	3371685	Nil	Nil	Nil	Nil
Sitting Fee	Nil	50000	Nil	Nil	Nil
Rent Received	Nil	Nil	766622	2153040	Nil
Rent Paid	Nil	Nil	Nil	Nil	Nil
Sale of Investment through them	Nil	Nil		Nil	Nil
Purchase of Investment through them	Nil	Nil		Nil	Nil
Net Turnover of Derivative Trading/ Share Trading	Nil	Nil		Nil	Nil
DP Charges paid	Nil	(Nil)	Nil	1838	Nil
Interest paid on Loan	Nil	Nil	Nil	10800000	Nil
Repayment of Advances/ Margin during the year (Net)	Nil	Nil	Nil	Nil	Nil
Interest Paid on Margin Funding during the year	Nil	Nil	Nil	Nil	Nil
Advance/Margin received during the year(Net)	Nil	Nil	Nil	Nil	Nil
Security Deposit received during the year	Nil	Nil	73278	Nil	Nil
Security Deposit repaid during the year	Nil	Nil	Nil	5750000	Nil
Interest Income Received	Nil	Nil	Nil	Nil	3551324
Loan received during the year	Nil	215000000	Nil	Nil	Nil
Loan repaid during the year	Nil	115000000	Nil	5750000	Nil
Outstanding in respect of Loan including interest accrued as on 31.03.2016 (Payable)	Nil	100000000	Nil	92396712	Nil
Outstanding in respect of Loan and advances including interest accrued thereon (Receivable)	Nil	Nil	Nil	Nil	14196181
Outstanding payable in respect of security deposit received	Nil	Nil	215763	80450000	Nil

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

- (i) Short Term borrowing includes loan taken from HB Portfolio Ltd. ₹ 9,00,00,000/-; Interest accrued but not due thereon ₹ 23,96,712/- . (ii) Security Deposits received includes ₹ 3,45,00,000/- from HB Stockholdings Ltd.; ₹ 3,45,00,000/- from HB Portfolio Ltd.; ₹ 57,50,000/- from HB Leasing & Finance Co. Ltd.; ₹ 57,00,000/- from RRB Securities Ltd. and ₹ 2,15,763/- from RRB Master Securities Delhi Ltd. (iii) Short term Loan and advances includes ₹ 1,41,96,181/- from Parsvnath HB Projects Pvt. Ltd. (iv) Unsecured Loan from director includes ₹ 10,00,00,000/- from Mr. Lalit Bhasin.

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

Particulars	As at 31 <sup>st</sup> March 2016 (In ₹)
Stores and Operating Supplies	730693
Capital Goods	1581781

**(b) Expenditure in foreign currency**

Particulars	Year ended 31 <sup>st</sup> March 2016 (In ₹)
Professional & Technical Fees	514936
Advertisement	3551980
Others	3199334

**(c) Earning in Foreign Currency:**

Particulars	Year ended 31 <sup>st</sup> March 2016 (In ₹)
Sale/revenue	239806214

**(d) Dividend paid in foreign currency- Nil**

**29.5 Disclosure pursuant to Accounting Standard - 15**

**(a) Defined Contribution Plan**

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

Particulars	Current Year (In ₹)	Head under which shown in statement of Profit & Loss
Contribution to Provident Fund	1898011	Contribution to Provident Fund & other fund.

**(b) Defined Benefit Plan**

Movement in net liability

Particulars	Gratuity ( ₹ )	Leave Encashment (Unfunded) ( ₹ )
	Current Year	Current Year
Present value of obligations as at the beginning of the year (A)	1962095	1520073
Adjustment for increase (decrease) in opening obligation (B)	Nil	Nil
Interest Cost (C)	156968	121606
Current service cost (D)	765714	700004
Benefits paid (E)	-83787	-150587
Actuarial loss/ (gain) on obligation (F)	-592179	-851109
Present value of obligations as at the end of the year (G=A+B+C+D-E+F)	2208811	1339987

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

Particulars	Gratuity ( ₹ )	Leave (Unfunded) ( ₹ )
	Current Year	Current Year
Present value of obligation (A)	2208811	1339987
Estimated fair value of plan assets (B)	77591	Nil
Net Liability (C=A-B)	2131220	1339987
<b>Amounts in the Balance Sheet</b>		
Liabilities	2131220	1339987
<b>Amount charged to Profit &amp; Loss Account</b>		
Current Service Cost	765714	700004
Interest Cost	156968	121606
Expected Return on Plan Asset	-10310	Nil
Actuarial(Gain)/Loss	-592179	-851109
Adjustment	0	0
	320193	-29499
Head under which shown in the Profit & Loss account	Contribution to Provident Fund and other Funds	Salary & benefits

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

Particulars	Gratuity Current Year
i) Actual return on plan assets	10310

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

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

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

Particulars	Gratuity Current Year
Opening Fair Value of Plan Assets	59831
Expected Return on Plan Assets	10310
Actuarial Gains / (Losses)	Nil
Contribution by the Employer	308113
Benefits Paid	300663
Closing Fair Value of Plan Assets	77591

**29.5 Foreign Currency Exposures**

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

Particulars	Foreign Currency (FC)	Amount in FC	Amount in ₹
Trade Payable	USD	Nil	Nil

There are no hedged foreign currency exposure.



## HB ESTATE DEVELOPERS LIMITED

### 29.7 Disclosure of Loans/Advances in the nature of loans in terms of provision of regulation 34 of SEBI (Listing obligation and disclosure requirements) regulations, 2015

Particulars	Outstanding Balance as on 31.03.2016	Max. Balance outstanding during the year
i. Loans & Advances in the nature of Loans to subsidiaries:-	Nil	Nil
ii. Loans & Advances in the nature of loans to Associates:- - Parsvnath HB Projects Private Limited	14196182	14196182
iii. Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 372A of the Companies Act, 1956	Nil	Nil
iv. Loans & Advances in the nature of loans to firms/ companies in which directors are interested.	Nil	Nil
v. Investments by Loanee in the Shares of parent company and subsidiary company when the company has made loan or advance in the nature of Loan.	No. of Shares Nil	Amount Nil

### 29.8 Detail of consumption of imported and indigenous items:

Particulars	Current Year	
	Amount consumption	% of
<b>(i) Raw Materials</b>		
Imported	0	0.00
Indigenous	70415350	100.00
<b>Total</b>	<b>70415350</b>	<b>100.00</b>
<b>(ii) Stores and Supplies</b>		
Imported	310438	0.95
Indigenous	32510845	99.05
<b>Total</b>	<b>32821283</b>	<b>100.00</b>

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

The company generally enters into cancellable operating lease of office premises and residence of the employees normally renewable on expiry. Lease payments amounting to ₹ 61,08,180/- made under operating lease have been recognized as an expense.

### 29.10 Pending Litigations:

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

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

### 29.12 The Board of director of the Company in their meeting held on 10/02/2016 has approved a composite scheme of arrangement between HB Estate Developers Ltd., HB Stockholding Ltd. and HB Portfolio Ltd and their respective members and creditors under section 391 to 394 read with section 101 to 104 of the Companies Act 1956 or any corresponding provisions of Companies Act 2013.

### 29.13 Additional information as per schedule III of the companies act, 2013.

Name of the entity	Net Assets i.e Total assets minus total Liabilities		Share in Profit/ Loss	
	As % of consolidated net assets	Amount	As % of consolidated Profit/Loss	Amount
1	2	3	4	5
Parent HB Estate Developers Limited	100.00	973,769,880	99.92	(308,295,302)
Associates (Investments as per Equity method) Parsvnath HB Projects Pvt. Ltd.	0.00	-	0.08	(240,200)
<b>Total</b>	<b>100.00</b>	<b>973,769,880</b>	<b>100.00</b>	<b>(308,535,502)</b>

### 29.14 Since this is the first year of presentation of consolidated financial statements, in terms of para 30 of Accounting Standard (AS) 21-Consolidated Financial Statements comparative figures for the previous year are not presented.

As per our Report of even date attached herewith

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

AMIT GOEL  
PARTNER  
(Membership No. 092648)

PLACE : GURGAON  
DATED : 26.05.2016

FOR AND ON BEHALF OF THE BOARD

JML SURI  
Director  
DIN:00002373

ANIL GOYAL  
Director  
DIN:00001938

PRAVEEN GUPTA  
Chief Financial Officer

RAJESH SINGH CHAHAR  
Company Secretary



# HB ESTATE DEVELOPERS LIMITED

FORM NO. MGT-11

## PROXY FORM

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **22<sup>nd</sup> ANNUAL GENERAL MEETING** of the Company to be held on **Tuesday, September 20<sup>th</sup>, 2016** at 11:00 A.M. at GIA HOUSE, I.D.C. Mehrauli Road, Opp. Sector 14, Gurgaon - 122001, Haryana and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

### Ordinary Business:

1. Adoption of Audited Financial Statements (including Consolidated Financial Statements) for the financial year ended March 31, 2016 together with the reports of the Directors' and Auditors' thereon.
2. Re-appointment of Mr. Jagmohan Lal Suri, who retires by rotation and being eligible offers himself for re-appointment.
3. Re-appointment of M/s. P.Bholusaria & Company, Chartered Accountants, Statutory Auditors of the Company and fixing their remuneration.

### Special Business:

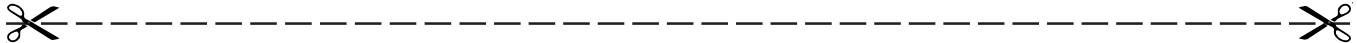
4. Alteration of Memorandum of Association of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2016

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

### Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.



Affix  
Rupee 1/-  
Revenue  
Stamp



# HB ESTATE DEVELOPERS LIMITED

## ATTENDANCE SLIP

### 22ND ANNUAL GENERAL MEETING

Time : 11.00 A.M., 20<sup>th</sup> day of September, 2016

Place : GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

FULL NAME OF THE FIRST SHAREHOLDER.....

Joint Shareholders, if any.....

Father's/Husband's Name .....

Address in full.....

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

I/We hereby record my/our presence at the 22<sup>nd</sup> Annual General Meeting held on Tuesday, 20<sup>th</sup> day of September, 2016 at 11.00 A.M. at GIA House, I.D.C. Mehrauli Road, Opp. Sector - 14, Gurgaon - 122 001, Haryana

Folio No. / DP-Id : .....

Client-Id : .....

No. of Shares : .....

Signature(s).....

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

## ROUTE MAP OF GIA HOUSE

