

Ref No: HDIL/CSD/2019-20/000443
September 27, 2019

**The Manager,
Listing Department**
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code : 532873

**The Manager,
Listing Department**
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Security Symbol : HDIL

Dear Sir/Madam,

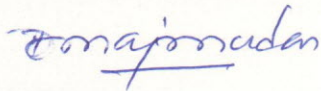
Sub: Annual Report for the financial year 2018-19

Pursuant to provisions of Regulation 34 (1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, enclosed please find herewith Annual Report for the Financial Year 2018-19 and Notice convening 23rd Annual General Meeting (AGM) of the members of the Company. The AGM of the Company is scheduled to be held on Saturday, 28th September, 2019 at 11.00 am at Mumbai Cricket Association Recreation Centre ("MCA"), G – Block, RG-2, Near Laxmi Towers, BandraKurla Complex, Bandra(East), Mumbai - 400051, to transact the business as set out therein.

The aforesaid documents are also available on the website of the Company at www.hdil.in.

Kindly take the same on record.

Thanking you,
Yours truly,
for Housing Development and Infrastructure Limited



Darshan D Majmudar
Company Secretary and Chief Financial Officer
Place: Mumbai





23RD ANNUAL REPORT 2018-19

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Message from the Chairman

The Key to success is focus on goals, not obstacles.

All said and done, Indian economy is full of opportunities, a 7% GDP growth rate for the sixth biggest economy in the world is no small feat. We have all the key ingredients needed for sustained growth compounding – significant size, strong growth rate and importantly a prolonged period of time during which this growth will sustain, driven by our young demographics.

The year that passed by was a very challenging and eventful. Reforms introduced by the Government will continue and we expect few more structural strengthening initiatives from the government which may construe as Disruptions. However Disruptions pave way for creation and offers new opportunities, we often forget that this opportunity will have its fair share of challenges, uncertainty and risks. Often, these are very transitory, while sometimes they may last for a long time. However, eventually things get ease out. In fact, our hypothesis with India has been that a dislocation that lasts about four to five quarters happens every four to five years. And we have seen that play out as well. An analysis of the last 90-odd quarters showed around 10-12 significant 'crises' in the market. Despite these dislocations, the long-term growth trajectory for India continues to hold steady. So while at any point of time, India might not be a good picture to watch, in the long-term, it is definitely a great movie to see!

The second half of FY19 and the ensuing market dislocation must be seen in a similar context. Eight months on, while borrowing costs continue to be higher than normal, the borrowing tap is slowly hopping back to normalcy. We do expect the marginal slowdown and elevated borrowing costs to continue for a quarter or two, consistent with our hypothesis of four to five quarters of slowdown. In such a backdrop, our focus in the year was on further reduction of debt and monetization of our assets, which we believe will lead to eschewed growth in favour of building strength and stability

Long-Term Outlook

The current slowdown is nowhere a reflection of India's long-term potential, which continues to be very optimistic. The greatest challenge during such a slow phase is not just figuring out ways to ease the pain of the slowdown but also having the faith and gumption to trust in the long-term.

We remain committed to creating long-term value for all our stakeholders, many thanks for all your support, feedback and kind words.

Warm regards,

Rakeshkumar Wadhawan
Executive Chairman
HDIL

Paradise City, Palghar.



(Original Construction Project Photo)



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

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

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



W

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

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

Corporate Information

BOARD OF DIRECTORS

Rakesh Kumar Wadhawan

Executive Chairman

Sarang Wadhawan

Vice Chairman &
Managing Director

Lalit Mohan Mehta

Non-Executive
Independent Director

Raj Kumar Aggarwal

Non-Executive
Independent Director

Sandhya Baliga

Non-Executive
Independent Director

Hazari Lal

Non-Executive
Independent Director

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Darshan D. Majmudar

AUDITORS

M/s. Rajeswari & Associates
Chartered Accountants

BOARD COMMITTEES AUDIT COMMITTEE

Sandhya Baliga
Lalit Mohan Mehta
Raj Kumar Aggarwal

NOMINATION & REMUNERATION COMMITTEE

Lalit Mohan Mehta
Raj Kumar Aggarwal
Hazari Lal

STAKEHOLDERS RELATIONSHIP COMMITTEE

Lalit Mohan Mehta
Sarang Wadhawan
Raj Kumar Aggarwal

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Rakesh Kumar Wadhawan
Sarang Wadhawan
Lalit Mohan Mehta

RISK MANAGEMENT COMMITTEE

Sarang Wadhawan
Hazari Lal

FINANCE COMMITTEE

Rakesh Kumar Wadhawan
Sarang Wadhawan

PROJECT COMMITTEE

Sarang Wadhawan
Rakesh Kumar Wadhawan

BANKERS / FINANCIAL INSTITUTIONS

Allahabad Bank
Andhra Bank
Bank of India
Central Bank of India
IDBI Bank Limited
Infrastructure Leasing &
Financial Services Limited
Life Insurance Corporation of India
Syndicate Bank
The Jammu & Kashmir Bank limited
UCO Bank
Union Bank of India
Yes Bank Limited

REGISTERED OFFICE

9-01, HDIL Towers,
Anant Kanekar Marg,
Bandra (East),
Mumbai - 400 051

Tel.: +91-22-6788 9000

Fax: +91-22-6788 9090

E-mail id: info@hdil.in

Website: www.hdil.in

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited
Asian Building, Ground Floor,
17, R. Kamani Marg,
Ballard Estate,
Mumbai – 400 001

Tel No.: +91 22 4080 7000

Fax: +91 22 6631 1776

e-mail id: itsl@idbitrustee.com

REGISTRAR & SHARE TRANSFER AGENT

Karvy Fintech Share Private Limited
Karvy Selenium Tower-B,
Plot No. 31 & 32, Financial District,
Gachibowli, Nanakramguda,
Serilingampally,
Hyderabad – 500 032.

Tel.: +91-040-6716 1524

Toll Free No.: 1800-3454-001

Fax: +91-040-2300 1153

e-mail id: einward.ris@karvy.com

Website: www.karvy.com

NOTICE

NOTICE OF TWENTY THIRD ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of **HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED**, will be held on Saturday, September 28th, 2019 at 11:00 A.M (IST) at Mumbai Cricket Association Recreation Centre (“MCA”), G – Block, RG-2, Near Laxmi Towers, BandraKurla Complex, Bandra (East), Mumbai – 400051 to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Audited Financial Statements:

To consider and adopt the Standalone as well as the Consolidated Financial Statements of the Company for the year ended March 31, 2019 together with the report of the Board of Directors and the Auditors thereon.

2. To appoint Mr. Sarang Rakeshkumar Wadhawan (DIN :-00028608), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard.

SPECIAL BUSINESS:

3. Ratify the remuneration to Cost Auditors:

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Ketki D. Visariya & Co., Cost Accountants (Firm Registration Number: 00362), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company, be paid a remuneration for the financial year ending March 31, 2020, amounting to ₹ 1,00,000/- plus re-imbursalment of out-of-pocket expenses incurred and applicable taxes as applicable in connection with the aforesaid audit.

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

4. To consider fund raising programme of the Company:

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

“**RESOLVED THAT** subject to the approval of the Members in General Meeting and in accordance with the provisions of Section 41, 42, 62 and other applicable provisions, if any of the Companies Act, 2013 (“the Companies Act”) (including any statutory modifications or re-enactments thereof for the time being in force) as amended from time to time the Foreign Exchange Management Act, 1999, as amended (“**FEMA**”), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as amended, rules, regulations, guidelines, notifications and circulars prescribed by the Securities and

Exchange Board of India (“**SEBI**”) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “**ICDR Regulations**”), the Reserve Bank of India (“**RBI**”) and the Government of India (“**GOI**”) and/or any other competent authorities as may be required and clarifications, if any issued thereon from time to time, the equity listing agreements entered into by the Company with the stock exchanges where the Company’s equity shares of face value of Rs. 10 each (the “**Equity Shares**”) are listed (the “**Listing Agreement**”), and subject to any approval, consent, permission and/or sanction of GOI, SEBI, RBI and the stock exchanges, as may be required, and the enabling provisions of the Memorandum of Association and the Articles of Association of the Company, and subject to all other necessary approvals, permissions, consents and/or sanctions of the concerned statutory and other relevant authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any committee thereof constituted/to be constituted by the Board to exercise its powers including powers conferred by this resolution to the extent permitted by law), consent of the Board is hereby accorded to create, offer, issue and allot in one or more tranches, in the course of domestic and/or international offering(s) in one or more foreign markets, by way of a public issue, private placement or a combination thereof of the Equity Shares or through an issuance of the global depository receipts (“**GDRs**”), the American depository receipts (“**ADRs**”), the foreign currency convertible bonds (“**FCCBs**”), fully convertible debentures/ partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments or securities convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as the “**Securities**”) or any combination of Securities to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), foreign institutional investors, promoters, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, employees of the Company and/or any other categories of investors, whether they be holders of shares of the Company or not (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons including employees of the Company as may be permitted), (collectively called the “**Investors**”) at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary as may be decided by the Board in its absolute discretion at the time of issue of Securities in one or more offerings/tranches, such that the total amount including premium raised through the aforesaid Securities should not exceed USD 200 million (200 Million United States Dollars) in one or more currencies.

RESOLVED FURTHER THAT Section 41, 42, 62 and other applicable provisions, if any of the Companies Act, Chapter VIII of the ICDR Regulations, the FEMA and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and subject to consent, authority and approval of the Members, is hereby accorded to issue, offer and allot Equity Shares, securities convertible into Equity Shares or non-convertible debentures along with warrants such that the total amount including premium raised should not exceed USD 200 million (200 Million United States Dollars), as specified in the preceding resolution, to the qualified institutional buyers (as defined in the ICDR Regulations) pursuant to a qualified institutions placement in accordance with Chapter VIII of the ICDR Regulations.

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

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

RESOLVED FURTHER THAT:

- (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company;
- (b) the relevant date for the purposes of determining the floor price of the Securities would be in accordance with the guidelines prescribed by SEBI, RBI, GOI through its various departments, or any other regulator and the pricing of any Equity Shares issued upon the conversion of the Securities shall be made subject to and in compliance with the applicable adjustments in the applicable rules/guidelines/ statutory provisions; and
- (c) the Equity Shares that may be issued by the Company shall rank paripassu with the existing Equity Shares of the Company in all respects.

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

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

the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders;

- (c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and
- (d) in the event of consolidation and/or division of outstanding shares into smaller number of shares (including by the way of stock split) or re-classification of the Securities into other Securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like (including reimbursement of their actual expenses) and also to enter into and execute all such arrangements, contracts/agreements, memorandum, documents, etc., with such agencies and to seek the listing of such Securities on one or more recognized (national and international) stock exchange(s).

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

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form, terms and timing of the issue(s)/offering(s), including the type of Security(ies) to be issued and allotted, the class of investors to whom the Securities are to be offered/issued and allotted, number of Securities to be issued and allotted in each tranche, issue price, face value, number of Equity Shares or other securities upon conversion or redemption or cancellation of Securities, premium or discount amount on issue/conversion of Securities/exercise of warrants/redemption of Securities/rate of interest/period of conversion or redemption, listings on one or more stock exchanges in India and/or abroad and fixing of record date or book closure and related or incidental matters as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s)/offering(s), allotment and conversion of any of the aforesaid Securities, utilisation of issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may

in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

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

5. To Re-appoint Mr. HazariLal (DIN:06696100) as Independent Director of the Company for a second term.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, Mr. HazariLal (DIN: 06696100), who was appointed as an Independent Director and who holds office upto the conclusion of this Annual General Meeting being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company for a term upto the conclusion of 28th Annual General Meeting.

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

6. To Re-appoint Mrs. Sandhya Baliga (DIN:07015987) as Independent Director of the Company for a second term.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors)

Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) , Mrs. SandhyaBaliga (DIN: 07015987), who was appointed as an Independent Director and who holds office upto the conclusion of this Annual General Meeting andbeing eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company for a term upto the conclusion of 28th Annual General Meeting.

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

7. Continuing the directorship of Mr. Lalit Mohan Mehta, Independent Non-Executive Director of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in terms of requirements of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, consent of the members of the Company be and is hereby accorded for the Company to continue directorship of Mr. Lalit Mohan Mehta (DIN: 00458975) as an Independent Non-Executive Director of the Company till his original term upto 31st March, 2024 although he has attained the age of seventy five years”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee of Directors which the Board may have constituted / will constitute to exercise any or all of its powers including the powers conferred by this resolution) be and is hereby authorized to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution”

Mumbai, May 30, 2019
Registered Office
 9-01, HDIL Towers,
 AnantKaneKerMarg,
 Bandra (East),
 Mumbai - 400051

By order of the Board of Directors

Darshan D. Majmudar
Chief Financial Officer and
Company Secretary

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

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

ITEM NO. 3

The Board on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Ketki D. Visariya & Co., Cost Accountants ("**Cost Auditors**"), to conduct the audit of the cost records of the Company for the Financial Year ("FY") ending March 31, 2020.

In terms of the provisions of Section 148 of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the FY. ending March 31, 2020, as set out in the Resolution for the aforesaid services to be rendered by them.

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

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

ITEM NO. 4

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

Pursuant to the above, the Board may, issue and allot in one or more tranches, in the course of domestic and/or international offering(s) in one or more foreign markets, by way of a public issue, private placement or a combination thereof of the Equity Shares or through an issuance of the Global depository receipts, the American depository receipts, the foreign currency convertible bonds, fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments or securities convertible into Equity Shares or with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as the "**Securities**") or any combination of Securities to any person including but not limited to foreign/resident investors (whether institutions, incorporated bodies, mutual funds and/or individuals or otherwise), foreign institutional investors, promoters, Indian and/or multilateral financial institutions, mutual funds, non-resident Indians, employees of the Company and/or any other categories of investors.

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

For reasons aforesaid, an enabling Resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The securities issued pursuant to

the offering would be pari passu with the existing Equity Shares in all respects, except the right as to dividend which shall be from the relevant FY. in which they are allotted and/or as provided under the terms of the issue or as contained in the relevant offering documents.

The proposed issue of Qualified Institutions Placement Securities as above may be made in one or more tranches such that the aggregate amount raised by issue of Qualified Institutions Placement Securities shall not exceed USD 200million (200Million United States Dollars).

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

None of the Directors, or Key Managerial Personnel of the Company (or their relatives) are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4.

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

ITEM NO. 5 & 6

As per the provisions of Section 149, Section 152 and Schedule IV of the Act read with rules thereunder, the Company had appointed Mr. Hazari Lal and Mrs. Sandhya Baliga as Independent Directors as per the requirement of the Act, at the 18th Annual General Meeting of the Company held on September 30, 2014 for holding office for five consecutive years upto the conclusion of this Annual General Meeting. Since, the Independent Directors will be completing one term as Independent Directors and are eligible for re-appointment for one more term.

The reappointment of Independent Directors is made as a result of performance evaluation of Directors. The Nomination & Remuneration Committee has recommended and the Board has approved the reappointment of Mr. Hazari Lal and Mrs. Sandhya Baliga as Independent Directors as per their letters of appointment for a period of Five years from the conclusion of this Annual General Meeting.

Mr. Hazari Lal and Mrs. Sandhya Baliga have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of them fulfill the conditions specified in the Act and the rules framed thereunder for re-appointment as Independent Director and they are Independent of the management. In compliance with the provisions of section 149 read with Schedule IV of the Act the appointment of these Directors as Independent Directors is now being placed before the Members for their approval.

A profile of Mr. Hazari Lal and Mrs. Sandhya Baliga set out in the section on “Detail of Directors being appointed’ annexed to the Notice. A copy of the draft letter of appointment which will be issued to Mr. Hazari Lal and Mrs. Sandhya Baliga setting out the terms and conditions of their appointment as Independent Director is available for inspection by Members at the Registered Office of the Company on any working day (Monday to Friday) between 11 A.M. (IST) and 1 P.M. (IST) prior to the date of the Annual General Meeting.

A brief profile of the Independent Directors to be appointed is given below:

1. Mr. Hazari Lal has completed M.A. in from University of Delhi and MSc in Development Management from Glasgow Caledonian University, U.K. He is a developmental and educational administrator and project Management advisor/consultant. In a career spanning for more than four decades, he has worked in various Government departments mostly on development sector, which includes transport, urban development, land regulation, low cost housing and sanitation for urban poor. He retired as Joint Secretary, Ministry of Defense and prior to that he worked as a Director, (Housing) Ministry of Urban Development & Poverty Alleviation, Deputy Secretary, Ministry of Food and Consumer Affairs and also a Joint Director, Indian Agricultural Research Institute. Post retirement he has worked as an advisor to a prominent educational institution for establishing a University at Manesar, Gurgaon, Haryana.
2. Ms Sandhya Baliga is a pass out of Indian Revenue Services, 1976 batch and also completed her M.A. and M. Phil. (Public Administration). At present, she is an Insurance Ombudsman (Delhi & Rajasthan). She was a Member and Special Secretary, Central Board of Excise and Customs. She was also a Director General of Inspection and Human Resource Development and also a Chief Commissioner of Central Excise, Mysore. She has also served as Commissioner of Central Excise for various cities and also as Director and Additional Director HUDCO, New Delhi.

Except Mr. Mr. Hazari Lal and Mrs. Sandhya Baliga being an appointee respective to their Appointing Resolution, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 & 6 respectively of the Notice.

Item No. 7

Pursuant to recommendation made in the Report of Committee on

Corporate Governance (constituted under chairmanship of Mr. Uday Kotak), SEBI vide its Notification dated 9th May, 2018, notified SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and stated that no listed entity shall continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

Mr. Lalit Mohan Mehta, Non-Executive Independent Director of the Company has attained the age of 75 years on 20th January, 2019. He has been associated with the Company for more than a decade and served as the Independent Non-Executive Director. His immense experience in Business provides a much needed overall guidance to the management on various aspects of Project management, Strategic planning and execution within business. Therefore, it is proposed to continue directorship of Mr. Lalit Mohan Mehta as Non-Executive Independent Director of the Company till his original term upto 31st March, 2024 and accordingly approval of members of the Company is sought to continue his directorship.

The Brief profile of Mr. Lalit Mohan Mehta, the nature of his expertise, the names of listed entities in which he holds directorships/ memberships of Committees of Board, and details of his shareholding in the Company and other information is annexed to the Explanatory Statement.

Your Directors recommend Resolution at Item No. 7 as a Special Resolution for approval of the members.

None of the Directors, Key Managerial Personnel and their relatives thereof other than Mr. Lalit Mohan Mehta, has any concern or interest, financial or otherwise, in the resolution at Item No. 7 of this Notice.

A brief profile of the Independent Director is given below:

Mr. Lalit Mohan Mehta is a retired Indian Administrative Service Officer. In the past, he has served the Government of India and State Governments in various capacities in matters concerning urban affairs, planning, fiscal matters and public and personnel relations. He has served as the Secretary to the Government of India in the Ministry of Urban Development and Poverty Alleviation. He is an arts graduate from Punjab University and has a Masters Degree in Development Studies including a course comprising aspects of economics, political science and sociology from University of Bath in the United Kingdom. He has been on the Board of the Company since 2006.

ANNEXURE TO THE EXPLANATORY STATEMENT

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings(SS-2) of Directors seeking appointment / re-appointment / continuation of appointment at the forthcoming Annual General Meeting

Name of Director	Mr. Hazari Lal	Mrs. Sandhya Baliga	Mr. Lalit Mohan Mehta	Mr. Sarang Wadhawan
Date of Birth	September 11, 1950	October 27, 1953	20/01/1944	October 5, 1976
Age	69	66	75	38
Qualification	Bachelor of Arts, Punjab University, Bachelor of Education (B.Ed.), Punjab University, M.A., University of Delhi, M.Sc., Development Management, Glasgow Caledonian University, UK	M.A., M. Phil (Public Administration).	An art graduate from Punjab University and has a Master's Degree in Development Studies including a course comprising aspects of economics, political science and sociology, from University of Bath in the United Kingdom.	MBA from Clark University, Worcester, U.S.A and Commerce Graduate from Mumbai University
Experience in functional Area	Housing and Urban Development, Other Land matters and Administration.	Indirect Taxation (Customs, Central Excise and Service Tax), Personnel and Vigilance Administration, Legal and Appellate Remedies (Customs, Central Excise and Service Tax), Ethics, Governance and Finance. Real Estate and Infrastructure Industry	He has over 35 years of experience in the field of Banking, Finance and planning.	Real Estate and Infrastructure Industry
Terms and condition for Re- appointment	Re-appointed as an Independent Director of the Company to hold office for a term of 5 (five) years upto conclusion of 28 th Annual General Meeting not liable to retire by rotation.	Re-appointed as an Independent Director of the Company to hold office for a term of 5 (five) years upto conclusion of 28 th Annual General Meeting not liable to retire by rotation.	Continuation as an Independent Director of the Company even though he has attained the age of 75 years to hold office till his original term upto March 31, 2024.	Managing Director and Vice Chairman
Detail of Remuneration	Independent directors are entitled to sitting fees for attending meetings of the Board & Committees thereof and also commission.	Independent directors are entitled to sitting fees for attending meetings of the Board & Committees thereof and also commission.	Independent directors are entitled to sitting fees for attending meetings of the Board & Committees thereof and also commission.	Nil
Date of First Appointment on board	14/11/2014	14/11/2014	14/06/2006	March 4, 2005
Shareholding in the Company	Nil	Nil	Nil	3,91,59,115
Number of meetings attended during the financial year 2018-19	3 (Three)	3 (Three)	4 (Four)	4 (Four)

Name of Director	Mr. Hazari Lal	Mrs. Sandhya Baliga	Mr. Lalit Mohan Mehta	Mr. Sarang Wadhawan
Other Directorship(s) as on date of the Notice	None	None	None	Privilege Holding And Investment Private Limited, Dinshaw Trapinex Builders Pvt Ltd, Privilege Distilleries Private Limited, Privilege Power And Infrastructure Private Limited, Privilege Industries Limited, Guruashish Construction Private Limited, Lashkaria Construction Private Limited, Privilege Airways Pvt Ltd
Committee Positions in other Public Companies	None	None	None	Audit Committee: Member - Privilege Industries Limited
Relationship with other Director/Manager and other KMP	None	None	None	Son of Mr. Rakesh Kumar Wadhawan, Executive Chairman of the Company.

NOTES FOR MEMBERS' ATTENTION

1. STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")

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

2. APPOINTMENT OF PROXY

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

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

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

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

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

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

3. AUTHORISED REPRESENTATIVES

Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section

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

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

Pursuant to Section 101 and Section 136 of the Act, read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). Members who have not registered their e-mail address with the Company can now intimate the same to the Karvy Fintech Private Limited, Company's Registrar & Share Transfer Agent ("**R&T Agent**") or to the Company. **Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only.** Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request. Members may also note that the Notice of the Twenty Third AGM and the Annual Report for Financial Year ("F.Y.") 2018-19 will also be available on the Company's website – www.hdil.in for downloading. The physical copies of all the documents mentioned/ referred to in this Notice will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form free of cost, upon making a request for the same. For any communication, the members may also send requests to the Company's investor email id i.e. info@Hdil.in.

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

6. SUBMISSION OF MEMBERS PERMANENT ACCOUNT NUMBER [PAN]

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

7. INSPECTION OF REGISTERS AND DOCUMENTS

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

8. The Company has notified closure of Register of Members and Share Transfer Books of the Company from Saturday, September 21, 2019 to Saturday, September 28, 2019 (both days inclusive).

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

10. VOTING

- a. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Friday, September 20, 2019 i.e. the cut-off date, shall be entitled to vote on the Resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the AGM (i.e. remote e-voting).
- b. The remote e-voting period will commence at 09:00 A.M.(IST). on Wednesday, September 25, 2019 and will end at 05:00 P.M.(IST) on Friday, September 27, 2019, During this period, members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, September 20, 2019, may cast their vote by remote e-voting. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but **shall not be entitled to cast their vote again**.
- c. The facility for voting through electronic voting system ('Insta Poll') will be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'Insta Poll'.
- d. The Company has appointed Mr. Suhas Ganpule, Proprietor of M/s. SG & Associates, Company Secretaries (C.P. No. 5722), Practicing Company Secretaries, to act as the Scrutinizer and to scrutinize the entire e-voting process in a fair and transparent manner.
- e. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

PROCEDURE FOR REMOTE E-VOTING

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

- a) E-Voting to commence : On Wednesday, September 25, 2019 at 09.00 A.M.(IST).
- b) E-Voting to end : On Friday, September 27, 2019 at 05.00 P.M.(IST).
- c) URL : <https://evoting.karvy.com>.

The instructions for remote E-voting are as under:

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

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

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

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

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

- iii. After entering the above details Click on - "LOGIN". Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will also prompt you to update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
- iv. On successful login, the system will prompt you to select the e-Voting Event.
- v. Select the EVENT of Housing Development and Infrastructure Limited and click on -Submit.
- vi. Now you are ready for e-voting as 'Cast Vote' page opens.
- vii. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- viii. Upon confirmation, the message 'Vote cast successfully' will be displayed.
- ix. Once you have voted on the Resolution, you will not be allowed to modify your vote.
- x. Institutional shareholders (i.e. other individuals, HUF etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail at sgevoting@gmail.com, they may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

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

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

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

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

OTHER INFORMATION:

- I. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and e-voting user manual available in the download section of Karvy's e-voting website <https://evoting.karvy.com>.
- II. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may obtain the user ID by approaching the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- a. If e-mail or mobile number of the Member is registered against Folio No. / DP ID-Client ID, then on the home page of <https://evoting.karvy.com>, the Member may click "forgot password" and enter Folio No. or DP ID-Client ID and PAN to generate a password.
- b. Member may call Karvy's toll free number 1800-3454-001.
- c. Member may send an e-mail request to evoting@karvy.com.

The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, September 21, 2018. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

GENERAL INSTRUCTIONS:

1. Mr. Suhas Ganpule, Proprietor of M/s. SG & Associates, Company Secretaries (C.P. No. 5722), Practising Company

Secretaries has been appointed as the Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.

2. The Scrutinizer shall immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company. The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than two (2) days after the conclusion of the Annual General Meeting to the Chairman of the Company. The Chairman, or any other person authorised by the Chairman, shall declare the result of the voting forthwith.
3. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.hdil.in) and on Karvy's website (<https://evoting.karvy.com>) after communication of the same to BSE Limited and National Stock Exchange of India Limited.
4. The Resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the Resolutions.
5. The results declared along with the Scrutinizer's Report shall be declared through following means of communication:
 - a. displayed on the Notice Board of the company at its Registered Office.
 - b. shall be put on the website of the Company i.e. www.hdil.in.
 - c. shall be put on the website of Karvy's website (<https://evoting.karvy.com>).
 - d. shall be communicated to BSE Limited and National Stock Exchange of India Limited.
6. The results shall also be available for inspection at the Registered Office of the Company.

By order of the Board of Directors

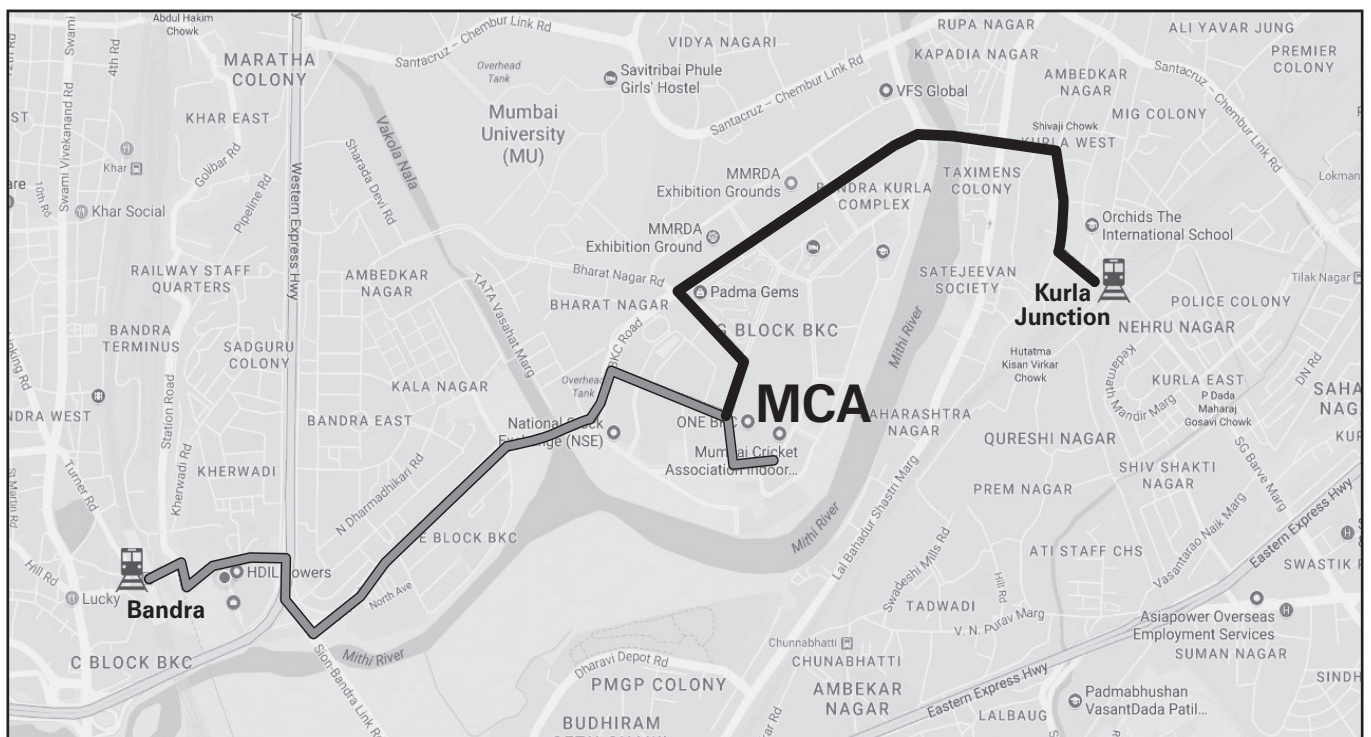
Place: Mumbai
 Date : May 30, 2019

Darshan D. Majmudar
Chief Financial Officer and Company Secretary

ROUTE MAP TO THE ANNUAL GENERAL MEETING VENUE

Venue: Mumbai Cricket Association Recreation Centre, G – Block, RG-2, Near Laxmi Towers, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051

(Directions from Bandra Railway Station and Kurla Railway Station)



Dear Members,

Your Directors have pleasure in presenting the 23rd Annual Report of the Company together with the "Management Discussion and Analysis Report", "Corporate Governance Report" and "Audited Financial Statements" for the Financial Year ("F.Y.") ended March 31, 2019.

FINANCIAL PERFORMANCE

Your Company's performance during the F.Y. ended March 31, 2019 as compared to the previous F.Y. is summarised below:

(₹ In Lacs)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from operations	58,376.30	38,775.07	71,834.04	38,775.07
Other Income	1,744.13	1,461.99	1,747.11	1,385.86
Turnover	60,120.44	40,237.06	73,581.16	40,160.93
Total Expenditure	28,606.71	6,828.66	31,929.74	(1,483.89)
Profit before Interest, Depreciation and Tax (PBIDT)	31,513.73	33,408.40	41,651.42	41,644.82
Less: Depreciation	539.43	677.21	540.10	683.24
Interest	19,186.67	26,786.35	28,062.70	34,917.94
Profit before Tax (PBT)	11787.63	5,944.84	13,047.72	6,043.64
Tax Expenses	2,169.51	(3,587.66)	2,419.10	(3,523.09)
Profit after tax	9,618.12	9,532.50	10,627.73	9,566.73
Add: Other Comprehensive Income	(46.00)	95.78	(49.07)	99.70
Profit attributable to Non-controlling Interest			(1.05)	(3.04)
Profit attributable to Owner of the parent	9,572.11	9,628.28	10,578.47	9,669.47
Balance brought forward from previous year	55,826.51	46,198.23	19921.64	10,258.38
Less: Appropriations:				
Transfer to General Reserve				
Transfer to Debenture Redemption Reserve				
Delisting of Subsidiary				(6.21)
Net Balance for the Year	65,398.63	55,826.51	30,500.11	19,921.64

STATE OF COMPANY'S AFFAIRS AND PERFORMANCE REVIEW

- The Turnover of the Company increase by 50.55 % and stood at ₹ 58,376.30 lacs as against ₹ 38,775.07 lacs in the previous year.
- The Company's Profit from operations for the year ended March 31, 2019, decreased by 98.29 % to ₹ 11787.63 lacs as against ₹ 5,944.84 lacs in the previous year.
- The Net Profit for the year has decreased by 0.58 % to ₹ 9,572.11 lacs as against ₹ 9,628.28 lacs in the previous year.

BUSINESS REVIEW

For the Real Estate Industry year 2017 was a watershed year, with the roll-out of game-changing policies such as Goods & Services Tax ("GST") and The Real Estate (Regulation and Development) Act, 2016 ("RERA"). Demonetization's impact started to taper off slightly however Residential sales are yet to catch up to the pre-demonetisation level. Commercial project is showing improved interest and these have impacted demand for floor space index ("FSI") and Transfer of Development Rights ("TDR"),

The Company is currently developing various projects at Kurla, Nahur, Mulund and Palghar.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis Report attached with the Board's report.

SUBSIDIARY COMPANIES

As at March 31, 2019, your Company has following subsidiaries:

Sr. No.	Name of Subsidiary
1	BKC Developers Private Limited
2	Guruashish Construction Private Limited
3	Lashkaria Construction Private Limited
4	Mazda Estates Private Limited
5	Privilege Power and Infrastructure Private Limited
6	Blue Star Realtors Private Limited (till April 12, 2018)

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

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

DIVIDEND

In view of the current market and industry scenario, your Board has been actively pursuing paring of its debt by monetising its land banks, your Directors have not recommended payment of any Dividend for the F.Y. ended March 31, 2019.

DEBENTURES

During the F.Y.2018-19, your Company has not issued any Debentures. Debenture Redemption Reserve has been available and is part of General Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2019 is ₹ 4,54,00,39,860. The equity shares of your Company continue to be listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the year under review the Company had converted 2,00,00,000 Convertible Warrants into Equity Shares ranking pari passu to the existing equity shares of the face value of Rs.10 each at a premium of Rs. 60.50 to Mr. Sarang Wadhawan, Promoter of the Company.

During the year under review the Company had allotted 2,00,00,000 Convertible Warrants having option to apply for and be allotted equivalent number of equity shares of the face value of Rs.10 each at a premium of Rs.21.10 to Mr. Sarang Wadhawan, Promoter of the Company. The said warrants had been converted into equity Shares on May 30,2019 and the same is under the process of listing.

RESERVES

During the year under review, your Company has transferred no amount to General Reserves.

DEPOSITS

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

MATERIAL EVENT – CORPORATE INSOLVENCY RESOLUTION PROCESS OF A WHOLLY OWNED SUBSIDIARY COMPANY

The Hon'ble National Company law Tribunal ("NCLT") Mumbai bench after admission of petition filled by Union Bank of India under Section 7 of Insolvency and bankruptcy Code, 2016 ("IBC Code") read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 has ordered the commencement of the Corporate Insolvency Resolution process to its Wholly owned subsidiary Company –Guruashish Construction Private Limited due to default in repayment of the Loan and interest thereon on July 24, 2017. Accordingly the powers of the Board of Directors suspended pursuant to section 17(1)(b) of the IBC Code and Mr. R. K .Bhuta was appointed as Interim resolution Professional for the management of the affairs of the Company.

Further, the resolution plan submitted by the Resolution professional Mr. R. K. Bhuta to National Company Law Tribunal ("NCLT") has not been accepted by NCLT due to termination of Development Agreement by MHADA. The termination letter has been challenged by the Resolution Professional in the National Company Law Appellate Tribunal ("NCLAT") which has been rejected and thereafter the said order of NCLAT has been challenged by the Resolution Professional in the Honorable Supreme Court by way of appeal bearing no C.A 12248 and the same is pending.

EXTRACT OF ANNUAL RETURN

The Annual Return of the Company, as prescribed under Section 92(3) of the Act and Companies (Management and Administration) Rules, 2014, framed thereunder, is attached as Annexure-A as well as displayed on the website www.hdil.in.

DIRECTORS

As on March 31, 2019, the Board of the Company consisted of six directors, of whom two were executive, four were non-executive and independent (including one woman director). The Company has an executive Chairman. During the year there was no change in the Composition of board of Directors.

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

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

Your Company has conducted the familiarisation programme for all its Directors covering the matters as specified under Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), details of which has been hosted on the Company's website at <http://www.hdil.in/pdf/policies/familiarisation-programme-for-independent-directors.pdf>.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) in the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;

- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE GOVERNANCE

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

A report on Corporate Governance together with a certificate received from M/s. Rajeswari & Associates, Chartered Accountants, Statutory Auditors of the Company confirming the compliance with the provisions of Corporate Governance as stipulated in Listing Regulations is given separately which forms part of this Report.

NUMBER OF MEETINGS OF THE BOARD

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

During the F.Y., the Board met 4 (Four) times viz. on 30-05-2018, 14-08-2018, 14-11-2018, 14-02-2019.

Details on the composition of the Board, Committees, meetings held, attendance thereat are provided in the Corporate Governance Report and forms part of this Report.

COMMITTEES OF THE BOARD

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

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Corporate Social Responsibility Committee ("CSR Committee")
- Internals Control Committee and;
- Finance Committee.

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

AUDIT COMMITTEE

The Audit Committee comprises of the following Directors:

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

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

STAKEHOLDER RELATIONSHIP COMMITTEE

As per the recent amendments in the SEBI (Listing Obligations & Disclosure Regulations), 2015 as recommended by Kotak Committee applicable from 01st April, 2019, the Stakeholders' Relationship Committee ('SRC') should consist of at least three directors as members, with at least one being an independent director.

Further, the role of the SRC has been widened to include the following:

- a) Resolve security holders' grievances including complaints relation to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- b) Review measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent.
- d) Review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the security shareholders of the entity.

In order to comply with the abovementioned amendments, Mr. Raj Kumar Aggarwal, Independent Director of the Company was appointed as a member of Stakeholders' Relationship Committee vide Board Resolution dated February 14, 2019.

Currently, Stakeholders' Relationship Committee comprises of the following Directors:

Mr. Lalit Mohan Mehta	-	Chairman
Mr. Sarang Wadhawan	-	Member
Mr. Rajkumar Aggarwal	-	Member

STATUTORY AUDITORS

M/s. Rajeswari & Associates, Chartered Accountants (Firm Registration Number 123005W), was appointed as Statutory auditor of the Company by the members for a term of five consecutive years, from the conclusion of 21st AGM till the conclusion of the 26th AGM of the Company (subject to ratification of their appointment at every AGM, if required under the ACT).

However, pursuant to the Companies Amendment act, 2017 which was notified on May 7, 2018, the provision relating to ratification of appointment of auditors by Members at every AGM has been done away with.

EXPLANATION ON AUDITORS' REPORT

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

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

The Company has made payment in part of its dues to bank/Financial institution in accordance with the One Time Settlement Agreement with them. Few banks have yet to approve One Time Settlement proposal and upon receipt of sanction, payments will be made to said Banks/Financial Institution.

There are no qualifications, reservations, adverse remarks or disclaimers made by Statutory Auditors in their Report dated May 30, 2019, on the financial statements of the Company for F.Y. 2018-19.

SECRETARIAL AUDIT REPORT

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

There are no qualifications, reservations, adverse remarks or disclaimers made by Secretarial Auditors, in their Report dated May 30, 2019, on the Secretarial and other related records of the Company for the F.Y. 2018-19.

COST AUDITORS

In pursuance of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board, on recommendation of Audit Committee, has appointed M/s. Ketki D. Visariya & Co., Cost Accountants (Firm Registration No. 00362), as the Cost Auditors to conduct the Cost Audit for the F.Y. 2019-20 at a remuneration of ₹1,00,000/- and reimbursement of out of pocket expenses plus applicable taxes.

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

COST RECORDS

Pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, in relation to construction industry, the specified accounts and records have been made and maintained by the Company

INTERNAL FINANCIAL CONTROL

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY

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

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the F.Y. 2018-19 were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Act are not attracted and hence the disclosure in form AOC-2 is not required.

During F.Y.2018-19, there are no material related party transactions with Promoters, Directors or Key Managerial Personnel ("KMP"). The Company has in place a policy on Materiality of and Dealing with Related Party Transactions for the purpose of identification and monitoring of such transactions. Suitable disclosures as required under AS-18 have been made in Note 37 of the Notes to the financial statements.

Pursuant to Regulation 23 of the Listing Regulations, the Company has in place a Policy on dealing with Related Party Transactions, which has been hosted on Company's website at

<http://www.hdil.in/pdf/policies/policy-on-materiality-of-and-dealing-with-related-party-transactions.pdf>

POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES

As required under Regulation 16(1)(c) of the Listing Regulations, the Company has in place a Policy for Determining 'Material' Subsidiaries, which has been hosted on Company's website at

<http://www.hdil.in/pdf/policies/policy-for-determining-material-subsiidiary.pdf>

POLICY UNDER SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and under Regulation 8 read with Regulation 3(2A) the Company has amended Codes of Fair Disclosure and Conduct to include policy for determination of "legitimate purposes" as a part of it, which has been hosted on Company's website at <http://www.hdil.in/investor-relations/corporate-governance/codes/>

The Company has also amended Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders according to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which inter-alia includes amendment in the trading window closure period.

Henceforth, the trading window closure period will be from 1st day of each quarter till 48 hours after the declaration of financial results.

The Policy has been hosted on has been hosted on Company's website at <http://www.hdil.in/investor-relations/corporate-governance/codes/>

RISK MANAGEMENT

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

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

VIGIL MECHANISM

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

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

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

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

NOMINATION AND REMUNERATION POLICY

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

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

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

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

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

The average Net Profit of the Company for last three F.Y. is ₹ 18,481.16Lacs and accordingly the Company requires to spend ₹ 369.62 Lacs on CSR activities.

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

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

- i. transportation facilities to the school going children of slum dwellers;
- ii. providing additional safety measure to enhance security of labour at construction sites and
- iii. free medical camps for the labourers and their families.

Further, your Company is irregular in paying off its statutory dues and financial commitments to the Banks and Financial Institutions, hence, the Board is of the view that CSR activities needs to be undertaken only after the Company has regularised in meeting all its obligations. The CSR disclosure as per the prescribed format is attached as **Annexure- B**.

Board Evaluation

Pursuant to the provisions of the Act, Regulation 17 & 25 of the Listing Regulations and Guidance Note on Board Evaluation issued by the SEBI vide its circular dated 5 January 2017, the Nomination and Remuneration Committee has devised criteria for evaluation of the performance of Directors including Independent Directors. The Board has carried out the annual performance evaluation of its own performance, its Committees and Directors. The exercise was led by the Lead Independent Director. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, corporate governance & compliance management etc. Separate exercise was carried out to evaluate the performance of Non-executive Independent Directors on parameters such as experience, attendance, independence criteria, acquaintance with the business, effective participation, vision and strategy, contribution and independent judgment. The manner in which the evaluation was carried out was explained in the Report on Corporate Governance, which forms part of this Annual Report.

PARTICULARS OF EMPLOYEES

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

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

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

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

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

Your Company has in place a policy on 'Prevention of Sexual Harassment' ("POSH") in line with the provisions of the Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The POSH Policy is displayed on the Company's intra-net 'HDIL World'. Internal Complaints Committee has been constituted to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this Policy.

During F.Y. 2018-19, your Company has not received any complaint on sexual harassment.

INVESTORS' RELATION AND GRIEVANCES

Investors' relations have been cordial during the year. As a part of

compliance, the Company has in place Stakeholders Relationship Committee to deal with the issues relating to investors. There were no investors' grievances pending as on March 31, 2019. A confirmation to this effect has been received from the Company's Registrar and Share Transfer Agent ("R&T").

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

Information as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, for the year ended March 31, 2019, is as under:

CONSERVATION OF ENERGY

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

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

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

RESEARCH AND DEVELOPMENT

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

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

Optimization of Space:

Mechanical Car Parking

- DOKA formwork;
- ULMA formwork;
- MIVAN formwork;
- Installation of safety apparatus for emergency evacuation purpose in an unlikely event of hazard;
- Study, Analysis and use of various shuttering patterns for economy, conservation of time and better quality of work;
- Substitution of Diaphragm wall with sheet piling as shoring options;
- Study, Analysis and use of composite structure in place of conventional structure;
- Optimization of resources and their recycling for further use;

- Use of environment friendly materials and developing green building concept and
- Analysis and study of trade off among various services for optimization.

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

Ingstrom Fire Escape Chutes

Initiatives for Sustainable Building Energy Conservation

GREEN PAINTS FOR GREEN BUILDING:

Introduction:

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

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

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

Benefits:

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

LED LIGHTS

Introduction:

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

Ecologically Friendly:

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

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

Zero UV Emissions:

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

Because of this, LED lighting is highly suitable not only for goods and materials that are sensitive to heat due to the benefit of little radiated

heat emission, but also for illumination of UV sensitive objects or materials such as in museums, art galleries, archeological sites etc.

Security Systems:

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

- Fire Alarm System and
- Water Curtain System

TECHNOLOGICAL ABSORPTION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ In Lacs)

Year	2018-19	2017-18
Foreign exchange earnings	-	-
Foreign exchange outgo	-	-

PARTICIPATION IN THE GREEN INITIATIVE

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

REGULATORY ACTION

There are no significant and material orders passed by the regulators

or courts or tribunals impacting the going concern status and future operations of the Company.

INFORMATION OF MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments affecting the financial position of the Company which have occurred after March 31, 2019 and prior to May 30, 2019, being the date of this report.

CAUTIONARY STATEMENT

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

APPRECIATION

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

For and on behalf of the Board of Directors

Place: Mumbai
Date: May 30, 2019

Mr. Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	BKC Developers Private Limited	5th Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai - 400 051	U74999MH2003PTC143045	Subsidiary	98.50	2(87)(ii)
2.	Guruashish Construction Private Limited	Ground Floor, Siddharth Nagar No. 1, Opp. Siddharth Nagar Post Office, Goregaon (West), Mumbai – 400 104	U45200MH2000PTC126895	Subsidiary	100.00	2(87)(ii)
3.	Lashkaria Construction Private Limited	102, 1 st Floor, Diamond Apartment, CTS No. 198, New Link Road, Oshiwara, Mumbai – 400 102	U70100MH2000PTC128723	Subsidiary	69.00	2(87)(ii)
4.	Mazda Estates Private Limited	3 rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai - 400 051	U70100MH2004PTC136339	Subsidiary	100.00	2(87)(ii)
5.	Privilege Power and Infrastructure Private Limited	3 rd Floor, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai – 400 051	U65990MH1984PTC033927	Subsidiary	100.00	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	3,66,59,115	-	3,66,59,115	8.45	5,66,59,115	-	5,66,59,115	12.48	4.03
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	11,18,94,645	-	11,18,94,645	25.78	11,18,94,645	-	11,23,97,867	24.76	-0.99
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other Promoter's Relatives	97,97,506	-	97,97,506	2.26	97,97,506	-	92,94,284	2.05	0.21
Sub-total (A)(1)	15,83,51,266	-	15,83,51,266	36.49	17,83,51,266	-	17,83,51,266	39.29	2.8
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	15,83,51,266	-	15,83,51,266	36.49	17,83,51,266	-	17,83,51,266	39.29	2.8
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2,34,27,000	-	2,34,27,000	5.40	0	-	0	0	5.40
b) Banks/FI	37,24,002	-	37,24,002	0.86	25,08,959	-	25,08,959	0.55	-0.31
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	1,47,857	-	1,47,857	0.03	3,14,372	-	3,14,372	0.07	0.04
g) FIs	7,71,77,080	-	7,71,77,080	17.78	7,78,93,481	-	7,78,93,481	17.16	0.62
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others:	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	10,44,75,939	-	10,44,75,939	24.07	8,07,16,812	-	8,07,16,812	17.78	-6.29
2. Non-Institutions									
a) Bodies Corp.:									
a) Indian	4,19,25,366	-	-	9.66	3,60,31,198	-	3,60,31,198	7.94	1.72
b) Individuals:									
i) Individual shareholders holding nominal share capital upto ₹ 1 lac	10,27,03,587	41129	10,27,44,716	23.67	11,91,51,045	39232	11,91,90,277	26.25	2.58
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	2,03,15,073	0	2,03,15,073	4.68	3,36,17,771	-	3,36,17,771	7.40	2.72
c) Others (specify)									
Non Resident Indians	28,37,519	-	28,37,519	0.65	3607603	-	3607603	0.79	0.14
Overseas Corporate Bodies	13	-	13	0.00	13	-	13	0.00	0
Foreign Nationals	663208	-	663208	0.15	1007538	-	1007538	0.22	0.07
Clearing Members	25,06,091	-	25,06,091	0.58	13,19,817	-	13,19,817	0.29	-0.29
Trusts	6,460	-	6,460	0.00	6442	-	6442	0.00	0
Foreign Bodies	-	-	-	-	-	-	-	-	-
NBFC registered with RBI	178335	-	178335	0.04	155249	-	155249	0.03	-0.01
Sub-total (B)(2)	17,11,35,652	41129	17,11,76,781	39.43	19,48,96,676	39232	19,49,35,908	42.92	-3.49
Total Public Shareholding (B)=(B)(1)+ (B)(2)	27,56,11,591	41129	27,56,52,720	63.51	27,56,52,720	39232	27,56,52,720	60.07	3.44
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	43,39,62,857	41129	43,40,03,986	100.00	45,40,03,986	41129	45,40,03,986	100.00	

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Mr. Rakesh Kumar Wadhawan	17500000	4.03	-	17500000	3.85	-	-0.18
2	Mr. Sarang Wadhawan	19159115	4.41	-	39159115	8.63	-	4.22
3	Mrs. Malti Rakesh Kumar Wadhawan	8100000	1.87	-	8100000	1.78	-	-0.09
4	Mrs. Anjana Rameshchandra Sakhuja	1137142	0.26	-	1137142	0.25	-	0.01
5	Mrs. Anu Sarang Wadhawan	503222	0.12	-	0	0	-	-0.12
6	Mrs. Nikita Trehan	57142	0.01	-	57142	0.01	-	0.00
7	Interactive Multi Media Technologies Private Limited	30027300	6.92	-	30153106	6.64	-	-0.28
8	Dheeraj Consultancy Private Limited	28522630	6.57	-	2,86,48,436	6.31	-	-0.26
9	Dinshaw Trapinex Builders Private Limited	28522629	6.57	-	2,86,48,434	6.31	-	-0.26
10	Privilege Distilleries Private Limited	24822086	5.72	-	2,49,47,891	5.50	-	-0.22

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Rakesh Kumar Wadhawan				
	At the beginning of the year:	17500000	4.03	17500000	4.03
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease:	-	-0.18	-	-0.18
	At the end of the year:	17500000	3.85	17500000	3.85
2	Mr. Sarang Wadhawan				
	At the beginning of the year:	19159115	4.41	19159115	4.41
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Conversion of Warrants into equity on 14/08/2018	2,00,00,000	4.22	2,00,00,000	4.22
	At the end of the year:	39159115	8.63	39159115	8.63
3	Mrs. Malti Rakesh Kumar Wadhawan				
	At the beginning of the year:	8100000	1.87	8100000	1.87
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease:	-	-0.09	-	-0.09
	At the end of the year:	8100000	1.78	8100000	1.78
4	Mrs. Anjana Rameshchandra Sakhuja				
	At the beginning of the year:	113742	0.26	113742	0.26
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease:	-	-0.01	-	-0.01
	At the end of the year:	113742	0.25	113742	0.25
5	Mrs. Anu Sarang Wadhawan				
	At the beginning of the year:	503222	0.12	503222	0.12
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Sale	503222	-0.12	503222	-0.12
	At the end of the year:	0	0	0	0

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
6	Mrs. Nikita Trehan				
	At the beginning of the year:	57142	0.01	57142	0.01
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Sale	-	-	-	-
7	Interactive Multi Media Technologies Private Limited				
	At the beginning of the year:	57142	0.01	57142	0.01
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Purchase	30027300	6.92	30027300	6.92
8	Dheeraj Consultancy Private Limited				
	At the beginning of the year:	125806	-0.28	125806	-0.28
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Purchase	30153106	6.64	30153106	6.64
9	Dinshaw Trapinex Builders Private Limited				
	At the beginning of the year:	28522630	6.57	28522630	6.57
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Purchase	125804	-0.26	125804	-0.26
10	Privilege Distilleries Private Limited				
	At the beginning of the year:	28648434	6.31	28648434	6.31
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Purchase	28522629	6.57	28522629	6.57
	At the beginning of the year:	125805	-0.26	125805	-0.26
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Purchase	28648434	6.31	28648434	6.31
	At the beginning of the year:	24822086	5.72	24822086	5.72
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Purchase	125805	-0.22	125805	-0.22
	At the beginning of the year:	24947891	5.50	24947891	5.50
	Date wise increase/ (decrease) in Promoters Shareholding during the year specifying the reason for increase/ decrease: Purchase				

(iv) Shareholding Pattern of top ten Shareholders:

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
	No. of shares	% of total shares of the Company	Increase/ (Decrease) in shareholding	Reason	No. of shares	% of total shares of the Company
Orbis Sicav Emerging Markets Equity Fund	2,67,88,612	6.17	0	-	2,67,88,612	5.9005
Government Pension Fund Global	0	0	56,59,184	Purchase	5659184	1.2465
Vanguard Total International Stock Index Fund	35,85,080	0.83	13,74,417	Purchase	4959497	1.0924
Vanguard Emerging Markets Stock Index Fund	48,77,229	1.12	0	-	4877229	1.0743
Emerging Markets Core Equity Portfolio (The Portfolio) Of DFA Investment Dimensions Group INC. (DFAIDG)	38,24,905	0.88	-	-	4125244	0.9086
Dimensional Emerging Markets Value Fund	27,19,300	0.63	11,35,616	Purchase	3854916	0.8491
The Emerging Markets Small Cap Series of The DFA I	2608534	0.6010	3,97,147	Purchase	3005681	0.6620
Educational & Scientific Equipments Pvt. Ltd.	2601165	0.5993	-	-	2601165	0.5729
Acadian Emerging Markets Small Cap Equity Fund LLC	0	0	2488716	Purchase	2488716	0.5482
Polunin Emerging Markets Small Cap Fund, LLC	2160197	0.4977	81879	Purchase	2242076	0.4938

Note: Top ten shareholders of the Company as on March 31, 2019, has been considered for the above disclosure.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Director and each Key Managerial Personnel	Shareholding at the beginning of the year (As at 31st March, 2017)		Date wise Increase/ (Decrease) in Shareholding during the year	Increase/ (Decrease) in Shareholding	Reason	Shareholding at the end of the year (As at 31st March, 2018)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Director								
1	Mr. Rakesh Kumar Wadhawan	1,75,00,000	4.03	-	-	-	1,75,00,000	3.85
2	Mr. Sarang Wadhawan	1,91,59,115	4.41	20000000 (14-08-2018)	20000000	Conversion of warrants	3,91,59,115	8.63
3	Mr. Lalit Mohan Mehta	-	-	-	-	-	-	-
4	Mr. Raj Kumar Aggarwal	-	-	-	-	-	-	-
5	Mrs. Sandhya Baliga	-	-	-	-	-	-	-
6	Mr. Hazari Lal	-	-	-	-	-	-	-
Key Managerial Personnel								
7	Mr. Darshan D. Majmudar	-	-	-	-	-	-	-

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

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18,822,351,570	-	-	18,822,351,570
ii) Interest due but not paid	5,721,272,024	-	-	5,721,272,024
iii) Interest accrued but not due	33,168,432	-	-	33,168,432
Total (i+ii+iii)	24,576,792,026	-	-	24,576,792,026
Change in Indebtedness during the financial year				
• Addition	1,337,831,517	-	-	1,337,831,517
• Reduction	6,372,113,567	-	-	6,372,113,567
Net Change	-5,034,282,051	-	-	-5,034,282,051
Indebtedness at the end of the financial year				
i) Principal Amount	15,047,631,945	-	-	15,047,631,945
ii) Interest due but not paid	4,480,523,844	-	-	4,480,523,844
iii) Interest accrued but not due	14,354,186	-	-	14,354,186
Total (i+ii+iii)	19,542,509,975	-	-	19,542,509,975

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

Note: Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman and Managing Director have not taken any remuneration for the Financial Year 2018-19: **(A)**

B. Remuneration to other directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Lalit Mohan Mehta	Mr. Raj Kumar Aggarwal	Mrs. Sandhya Baliga	Mr. Hazari Lal	
1	Independent Directors					
	Fee for attending Board/Committee Meetings	2.40	2.00	1.80	1.00	7.20
	Commission	15.25	15.25	15.25	15.25	61.00
	Others, please specify	-	-	-	-	-
	Total (B)	17.65	17.25	17.05	16.25	68.20
	Ceiling as per the Act	₹ 117.88 lacs (being 1% of Net Profits of the Company calculated as per the Section 198 of the Companies Act, 2013.)				
	Total Managerial Remuneration = (A+B)					68.20
	Overall Ceiling as per the Act	₹ 1296.64 lacs (being 11% of Net Profits of the Company calculated as per the Section 198 of the Companies Act, 2013.)				

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

(₹ in Lacs)

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

 Place: Mumbai
 Date: May 30, 2019

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant To Section 135 of the Companies Act, 2013 and as per Rule 8(1) of Companies (Corporate Social Responsibility Policy) Rules, 2014]

Sr. No.	Particulars	Remarks
1	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and project or programs.	HDIL is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the Society in its operational areas. Being a good corporate citizen is integral to HDIL's corporate objective of advancing the way people live and work. In alignment with vision of the company, HDIL, through its CSR initiatives, will continue to strive to enhance value creation in the society and in the Society in which it operates, through its services, conduct& initiatives, so as to promote sustained growth for the society, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern. HDIL CSR Policy is available on http://www.hdil.in/pdf/policies/corporate-social-responsibility-policy.pdf
2	The Composition of the CSR Committee.	HDIL CSR Committee consist of three members namely: Mr. Rakesh Kumar Wadhawan Mr. Sarang Wadhawan Lalit Mohan Mehta
3	Average net profit of the Company for last three financial years.	18,481.16 Lakhs
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	369.62 Lakhs
5	Details of CSR spent during the financial year: a) Total amount to be spent for the financial year b) Amount unspent, if any; c) Manner in which the amount spent during the financial year is detailed below	Nil

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No	CSR project or activity Identified.	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency *
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-

*Give details of implementing agency:

1. Reasons for not spending the amount.

The Corporate Social Responsibility ("CSR") Committee after deliberations had recommended to circumvent the contribution towards CSR activities for the previous year i.e. F.Y. 2014-15, 2015-16, 2016-17, 2017-18 and the current year i.e. F.Y. 2018-19 and to carry forward the said activities in the subsequent financial year i.e. 2019-20 for contributing towards social development and carry out the CSR activities, as the Company has been irregular in paying of its statutory dues, financial commitments to the Banks and Financial Institutions and employee dues and thus CSR activities needs to be undertaken only after the Company has regularized in meeting all its obligations. The reason for the same has mentioned in the Board's report.

2. Responsibility Statement:

Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, it is confirmed that the CSR Committee has implemented and monitored the CSR initiatives in line with CSR objective and Policy of the Company.

(Chief Executive Officer or Managing Director or Director)

(Chairman CSR Committee)

Place: Mumbai
Date : 30/05/2019

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

Sr. No.	Requirement	Disclosure			
1	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ("F.Y.):	Name of the Director		Ratio	
		Mr. Lalit Mohan Mehta		5.43	
		Mr. Raj Kumar Aggarwal		5.43	
		Mrs. Sandhya Baliga		5	
		Mr. Hazari Lal		5.12	
		Note: Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman and Managing Director have not taken any remuneration for the Financial Year 2018-19.			
2	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the F.Y.:	Name of the Director		Category	% increase/decrease
		Mr. Lalit Mohan Mehta		Director	-
		Mr. Raj Kumar Aggarwal		Director	-
		Mrs. Sandhya Baliga		Director	-
		Mr. Hazari Lal		Director	-
		Mr. Darshan D. Majmudar		CFO & CS	-
		Note:			
		<ul style="list-style-type: none"> There was no per se increment or any increase in the remuneration of the Directors of the Company. Non-Executive Directors of the Company are paid commission up to 1% of the net profit of the Company subject to maximum amount of ₹ 1,81,81,000 and hence the change in remuneration is due to change in the Composition of Board of Directors and revision of Maximum limit of Commission payable. Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman and Managing Director have not taken any remuneration for the Financial Year 2018-19. 			
3	The percentage increase in the median remuneration of employees in the F.Y.:	There is 0.6 % decrease in median remuneration of employees in F.Y. 18-19.			
4	The number of permanent employees on the rolls of company:	As on March 31, 2019, there were 286 employees on the rolls of Company.			
5	The explanation on the relationship between average increase in remuneration and company performance	The Net Profit for the F.Y. ended March 31, 2019, decreased by 0.58 % whereas there was also increased in median remuneration was 0.6%.			
6	affirmation that the remuneration is as per the remuneration policy of the Company	It is hereby affirmed that the Remuneration paid is as per the Remuneration Policy of the Company.			

For and on behalf of the Board of Directors

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

FORM NO. MR-3**Secretarial Audit Report**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

For the Financial Year ended March 31, 2019

To,
The Members,

Housing Development and Infrastructure Limited,

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by Housing Development and Infrastructure Limited (hereinafter called the company)

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and any other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 March 31, 2019 has complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2019 according to the provisions of :

- I) The Companies Act, 2013 (the Act) and the rules made thereunder;
- II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable during the year under review)
- 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 (Mutual Funds) Regulations, 1996;
- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that there were no events/ actions in pursuance of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India act, 1992 (SEBI Act) :-

- 1) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- 2) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- 3) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- 4) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- 5) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- 6) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- 7) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- 8) The Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013.

We have also examined compliance with the applicable Clauses/ Regulations of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

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

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

All the decisions were carried out unanimously by the members of the Board and the same were duly recorded in the minutes of the meeting of the Board of Directors.

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.

We further report that during the audit period, there are no instances of:

- i. Public / Right/ Preferential issue of shares / debentures / sweat equity.
- ii. Redemption/ Buy-Back of securities.
- iii. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- iv. Merger / Amalgamation / Reconstruction etc.
- v. Foreign technical collaborations.

OBSERVATION:

The Company has been advised to be more diligent in filing ROC returns.

For **SG and Associates,**

Suhas Ganpule,
Proprietor

Date: May 20, 2019
Place: Mumbai

Membership No: 12122
C. P. No: 5722

To,
**The Members,
Housing Development and Infrastructure Limited**

My report of even date is to be read along with this letter:

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 my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, 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 Management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of Management. Our examination was limited to the verification of procedure 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.

For **SG and Associates,**

Suhas Ganpule,
Proprietor

Practicing Company Secretary
Membership No: 12122
C. P. No: 5722

Date: May 20, 2019
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY - STRUCTURE AND DEVELOPMENTS:

A. INDIAN ECONOMY – AN OVERVIEW:

The real estate sector is one of the most globally recognized sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises of four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

India's rank in the Global House Price Index has jumped 13 spots to reach the ninth position among 55 international markets, on the back of increasing prices in mainstream residential sector. New housing launches across top seven cities in India increased 27 per cent year-on-year in January-March 2019. The Indian real estate market is expected to touch US\$ 180 billion by 2020. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020.

The fallout of RERA, demonetization and GST was still very visible in 2018, but the dust began to settle. With developers and brokers accepting the new market realities and beginning to fall in line, the residential sector began to regain visibility and viability. Transparency and accountability – never the defining characteristics of Indian real estate – became the 'new normal' this year, and the market reacted positively. 81% respondents in ANAROCK's Consumer Survey, which covers both resident and non-resident Indians (NRIs), believe that Indian real estate has become more credible and efficient.

Even though sales and new supply picked up q-o-q across the top cities, the issue of stalled projects showed few signs of resolution in 2018. However, a number of landmark court judgments strongly indicated that the Indian legal system is awake and aware of the problem. 2018-2019 was a year where consumers, previously held hostage by lack of efficient regulation, finally felt that they are being heard and represented. As is always the case, the process of resolving a problem starts with acknowledging that a problem exists.

The annual GDP growth rate of India has been falling for the past 2 years from 8.2% in 2015 to 7.1% in 2016 and further reducing to 6.6% in 2017. While the annual GDP seems to be on a rise, to 2.6 lakh crore USD in 2017 from 2.27 lakh crore USD in 2016, the growth rate seems to be declining. However, the first quarter of 2018-19 saw a growth rate of 8.2%, the rate fell to 7.1% in the third quarter, much lower than the expected growth rate.

B. OVERVIEW OF THE REAL ESTATE INDUSTRY:



The Real estate market has been amongst the sectors worst hit

by the economic downturn in the year 2018, but as compared to last year the real estate industry has shown the sign of revival and is showing better growth in the year 2019. By introducing regulations like GST, Real Estate (Regulation and development) Act ("RERA's") further amendments, Benami Transaction Prohibition, Real Estate Investment Trusts ("REITs"), there is a long-term industrial growth and it also impacts on ease of business by transparency at work. A lot is expected from Government of India ("GOI") in the upcoming years to offer some relief in the Real Estate sector which will have positive impact on Your Company and its related stakeholders.

The ongoing NBFC crisis has, for all intents and purposes, hijacked Indian real estate's growth story over the short to mid-term. It not only freeze funds to the real estate sector, but also impact private equity (PE) funds flowing into the sector. This is because PE players become extra-cautious in lending to developers, become more selective, and engage in extremely deep due diligence before making any plays in the currently tense market environment.

Simultaneously, India's first REIT listings are a sure-fire draw for liquidity infusions into the office sector. In fact, REITs will cause commercial property players to focus even more on this segment to cater to the sustained demand from occupiers.

REITs operate in a manner similar to that of mutual funds. A REIT can be recognized as a pool of funds by a sizeable number of investors, and these investments are made towards rent-generating properties. In the Indian realty market, REITs can play a major role to solve the problem of unsold and unoccupied inventory, which is a big challenge facing the Indian realty sector today. REITs can help mobilize the returns on these properties, while offering investors tremendous diversity when it comes to real estate investment.

Further, The GST Council, on March 19, 2019, approved a transition plan for the implementation of the new tax structure for housing units with effect from April 1, 2019. The developers of residential projects which are incomplete as on March 31, 2019, will have the option either to choose the old structure with ITC or to shift to the new 5% and 1% rates, without ITC. The new tax rate of 1% for affordable houses and 5% for others, without ITC, will apply on new projects started on or after April 01, 2019.

C. GOVERNMENT STANCE:

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

Some of the recent initiatives and developments undertaken by the government for Housing Sector are listed below:

- Under the Pradhan Mantri Awas Yojana (PMAY) Urban,

more than 6.85 million houses have been sanctioned up to December 2018.

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

2. OPPORTUNITIES, THREATS & CHALLENGES:

A. OPPORTUNITIES:

Easing of Monetary Norms

The Real Estate Sector performance is directly bound by the country's economic fundamentals and monetary policies. The Reserve Bank of India ("RBI"), maintained its benchmark repo rate of 6 percent during Financial Year 2018-19. (*Repo rate is the rate at which the RBI lends money to commercial banks*) monetary easing initiatives will provide an impetus to housing demand.

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

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

Relaxation in Foreign Direct Investment ("FDI") norms

India's FDI in India during 2018-19 stood at US\$ 35.94 billion, indicating that government's effort to improve ease of doing business and relaxation in FDI norms is yielding results.

REITs

In Union Budget 2018, Centre's proposal to bring equity shares, units of equity shares, units of equity oriented fund and business trusts under the new Long Term Capital Gains (LTCG) Tax in the Union Budget 2018-19 is likely to push investors' expectations of healthy returns from REITs higher. Presenting budget in the parliament, Finance Minister has proposed a 10 percent tax on LTCG of over Rs. 1 lakh without indexation benefits.

RERA's

India has moved up just one spot in the global real estate transparency index from 36 in 2016 to 35 in 2018, despite the implementation of the Real Estate (Regulation And Development) Act or RERA, according to a report by real estate advisory firm Jones Lang LaSalle Inc. (JLL).

RERA was implemented in May 2016 to bring accountability and transparency into the sector. However, unlike a few states such as Maharashtra and Karnataka, several states have been slow in its implementation. India is thus yet to figure among the transparent markets, despite the regulatory changes and the possibility of a Real Estate Investment Trust (REIT) listing.

The countries in the top 30 ranks have been defined as transparent markets, while those in the top 10 are categorized as highly transparent, according to the report that comes

out every two years. The UK, Australia, the US, France and Canada are the top five countries. The report, however, said that India is one of the 10 countries that have registered maximum improvement in transparency in real estate over the last two years. Since 2014, India has moved up by five spots from 40th in the global real estate transparency index. The index measures transparency based on factors such as data availability, authenticity and accuracy; governance of public agencies as well as stakeholders of the realty sector; transaction processes and costs associated with those; and the regulatory and legal environment, the report said.

Between 2009-18*, Indian real estate sector attracted institutional investments worth US\$ 30 billion. Private Equity and Venture Capital investments in the sector reached US\$ 4.47 billion in 2018 and US\$ 546 million in Jan-Feb 2019.

The country's ranking is likely to improve further in Global Real Estate Transparency Index 2020 mainly on the back of the comprehensive implementation of RERA in all states of India, introduction of insurance policies for land title, pseudo-ownership of properties weeded out through 'Benami Transactions Act' and the sector aligning itself well with GST regime," it said.

Reference to above, Your Company is a major player in Mumbai Real Estate market with a land reserve of approx. 193 million Sq.ft. as on March 31, 2019, with 90% of its land reserves in Mumbai Metropolitan Region.

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

B. THREATS & CHALLENGES:

Regulatory Hurdles

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

Funding Problems

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

Shortage of Manpower & Technology

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

development of manpower.

General Election

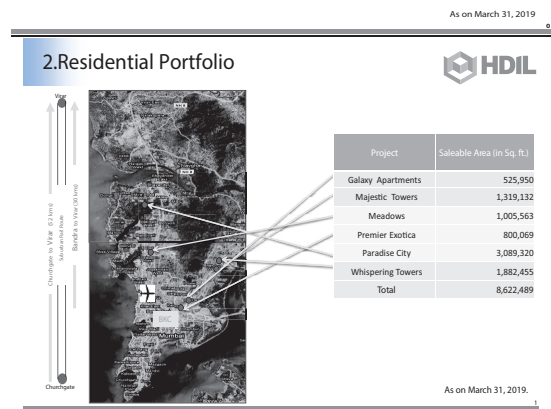
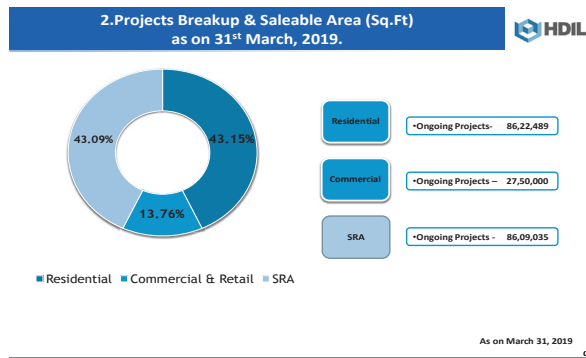
The general elections coming up in the first half of 2019 will definitely play a pivotal role in deciding the fate of Indian real estate in the coming year. It is a known fact that prior to elections, many prospective homebuyers adopt a wait-and-watch approach because a new Government may announce new schemes and policies, which may impact the attractiveness of real estate investments. For this reason, the current time before the general elections is decidedly favourable for homebuyers as they can do some hard bargaining. Developers generally refrain from launching new projects until the general elections results are in.

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

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

As on March 31, 2019, the portfolio of your Company comprised of residential component of 43.15%, commercial,retail 13.76% and SRA 43.09%.

HDIL Project Mix – Segment wise Breakup



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

4. OUTLOOK:

Although it’s hard to forecast the real estate market that is highly sentiment driven in India, several factors will drive the future trend. With the implementation of RERA 2016 by the states, the Indian Real Estate Sector to be more transparent, credible and attractive with only organised players on the ground.

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

5. RISKS AND CONCERNS:

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

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

6. INTERNAL CONTROL SYSTEMS:

The Company has an adequate system of internal controls to ensure that all assets are protected against loss from unauthorised use or disposal and to ensure all transactions are authorised, recorded and reported correctly. It has in place internal controls covering all fields across all financial and operating functions ranging from procurement of land to smooth execution of projects. Apart from ensuring that

proper accounting policies and financial reporting regarding the same is made properly, the internal control team keeps a close watch on the schedules followed, to ensure that the Company is able to meet the delivery deadlines. The audit committees keep reviewing the internal audit reports from time to time, and offer suggestions for improvement of internal controls and systems within the Group. The statutory audit of the Company is conducted by M/s. Rajeswari & Associates., Chartered Accountants who submit their reports to the Board of Directors and Audit Committee.

7. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS PERFORMANCE:

For F.Y. 2019-20, the Company's major focus will be Debt reduction with a plan to reduce it below 15%. The Company will be focusing on project completion along with TDR and FSI sale.

The key components of our strategy will be focused around:

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

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

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

Your Company considers its employees as its most important

asset; and has created a work environment that ensures their continued well-being. It strongly aligns the organisation's growth with the growth of every individual who is functional in taking the organisation closer to its goals. It aims at attracting, nurturing and retaining the best industry talent; and invests substantial time and energy in maintaining an engaging human resource culture. New employees are trained to make them accustomed to the HDIL culture, while continuing employees are given ample opportunities to explore their talent and capabilities. The Company will continue to expand itself by virtue of its core intellect that resides with human resource. The Company had 286 employees on its rolls as on 31st March 2019, of which 11% of talents are women.

9. CAUTIONARY STATEMENT:

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

For and on behalf of the Board of Directors

Mr. Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

INTRODUCTION

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (SEBI Listing Obligation and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), and the report contains the details of Corporate Governance systems and processes at Housing Development and Infrastructure Limited (“HDIL”).

Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider our stakeholders as partners in our success and we remain committed to maximizing our stakeholders, employees, suppliers, customers and investors values. Corporate Governance provides a roadmap for a Company, helping the Management of a Company to make decisions based on the rule of law which benefits to stakeholders and practical processes. It allows a Company to set realistic goals and methodologies for attaining those goals by adopting fair and transparent policies and facilitates highest level of lucidity and integrity in the functioning of Company.

Your Company believes that Corporate Governance is a key element in improving efficiency and growth as well as enhancing investor confidence. In order to promote good governance, the Company has followed the best practices, processes and policies based on conscience, openness, fairness, professionalism and accountability. The Corporate Governance standards demonstrate inalienable right vested with various stakeholders and strong commitment to value, ethics and business conduct. The Company is committed to good Corporate Governance, based on an effective Independent Board, separation of supervisory role from the Executive Management and the constitution of Committees to oversee critical areas thus upholding the standards practically at every sphere ranging from action plan to performance measurement and customer satisfaction.

Responsible infrastructure development with sustainable business practices builds the core of Company’s business strategy. This is our way to consistent, competitive, profitable and responsible growth and creating long term value for our stakeholders. It allows a Company to set pragmatic goals and methodologies for attaining those goals by adopting fair and transparent policies.

COMPANY’S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Your Corporate Governance practices are a reflection of our value system encompassing our background, policies and relationships with our stakeholders. Integrity and transparency are keys to our Corporate Governance practices to ensure that we grow and maintain the trust of our stakeholders at all times. The Company is committed to do business in an efficient, responsible, honest and ethical manner. Corporate Governance practice goes beyond compliance and involves a company-wide commitment and has become the integral part of business to ensure fairness, transparency and

integrity of the Management. Good governance responsibilities encompasses the activities of the Board of Directors, who execute their Corporate Governance responsibilities by focusing on the Company’s strategic and operational excellence in the best interests of all stakeholders of the Company, in particular shareholders, employees and our customers in a balanced manner with long term benefits to all.

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

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

BOARD OF DIRECTORS:

A majority of the Board i.e. 4 out of 6 Directors are independent Directors. The Board of Directors are entrusted with the ultimate responsibility of the Management, general affairs, direction and performance of the Company and have been vested with requisite powers, authorities and duties. The Management of the Company is headed by Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman & Managing Director and has business / functional heads as its Employees, which looks after the Management of the day to day affairs of the Company.

COMPOSITION OF BOARD

The Board of Directors of the Company comprises such number of Executive and Non-Executive Directors as required under applicable legislation. As on March 31, 2019, majority of the Board i.e. 4 out of 6 Directors are Non Executive independent Directors including a Woman Director and comprising of one Executive Chairman, Vice Chairman & Managing Director. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

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

The Composition of the Board, category of Directors and Directorship/Committee positions in other Companies as on March 31, 2019, is as under:

Name of the Director	Director Identification Number	Category	Other Directorships	Committee positions		Shareholding
				Chairman	Member	
Mr. Rakesh Kumar Wadhawan	00028573	Promoter and Executive Chairman	6	-	-	1,75,00,000
Mr. Sarang Wadhawan	00028608	Promoter and Vice Chairman & Managing Director	2	-	1	3,91,59,115
Mr. Lalit Mohan Mehta	00458975	Non-Executive Independent Director	-	-	-	-
Mr. Raj Kumar Aggarwal	02034914	Non-Executive Independent Director	-	-	-	-
Mrs. Sandhya Baliga	07015987	Non-Executive Independent Director	-	-	-	-
Mr. Hazari Lal	06696100	Non-Executive Independent Director	-	-	-	-

Note:

- The Directorship held by Directors as stated above does not include Alternate Directorships, foreign companies Directorships, Companies registered under section 8 of the Act, Private Limited companies and Company subject to proceeding under The Insolvency and Bankruptcy Code, 2016.
- In accordance with the Regulation 26 of Listing Regulations, Membership / Chairmanship of only Audit Committees and Stakeholders Relationship Committees in all Public Limited Companies (Excluding Housing Development and Infrastructure Limited) have been considered.

Core Skills/Expertise/Competencies

For effectively carrying out a successful business, a company needs a combination of required skills, experts in the core fields who can contribute towards the growth and development of the Company.

The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business and sectors for it to function effectively.

1. **finance** - including cash flow planning, credit-management and managing relationships with your bank and accountant
2. **marketing** - including advertising, promotion and PR.
3. **sales** - including pricing, negotiating, customer service and tracking competitors.
4. **procurement and buying** – including tendering, managing contracts, stock control and inventory planning.
5. **administration** - including bookkeeping, billing, accounts preparation and payroll handling.
6. **personnel** - including recruitment, dispute resolution, motivating staff and managing training.
7. **personal business skills** - including computer, written and oral communication, and organisational skills.
8. In depth knowledge of Real Estate and Infrastructure market trends and changing business environment.
9. PR and Presentation Skills.
10. leadership skills, the ability to cope with long hours and hard work, and the inner resources to deal with stress and risk-taking, also include strategy-setting and the ability to build and manage a team.

The following are the core skills/expertise/competencies available with the Board.

Sr No.	Name of the Director	Skills/Expertise/Competencies
1.	Mr. Rakesh Kumar Wadhawan	He is an executive Chairman, founder and one of the promoters of the HDIL Group. He has over 30 years of experience in the real estate and infrastructure industry. He is a member of many industry organisations and has actively participated in international housing-related seminars. His vision and expertise has steered HDIL's growth in residential, commercial and infrastructure projects.
2.	Mr. Sarang Wadhawan	He is Vice Chairman & Managing Director and one of the company's promoters. He has a MBA from Clarks University, Worcester, U.S.A. and a B.Comm degree from Mumbai University. Mr. Sarang Wadhawan has considerable experience in the real estate and housing finance industry. With ambitious plans for the growth and expansion of the company, he is actively involved in setting and executing its strategic objectives.
3.	Mr. Lalit Mohan Mehta	is an independent director of the company. He is a retired Indian Administrative Service officer. His experience in government service spans urban affairs, planning, fiscal issues, public affairs and personnel relations. He retired as the Secretary (Urban Development), Government of India. He holds a B.A. degree from Punjab University and has a post graduate degree in development studies, a course comprising aspects of economics, political science and sociology, from the University of Bath in the United Kingdom.

Sr No.	Name of the Director	Skills/Expertise/Competencies
4.	Mr. Raj Kumar Aggarwal	He is an independent director of the company. A practising Chartered Accountant since 1980, he has been the President of C.A. Welfare Association and the Director of SEBI Gilts Limited, a subsidiary of State Bank of India. He has in depth knowledge of finance, taxation, Project planning and other compliance. He has served on the board of BOB Capital Market Limited, a subsidiary of Bank of Baroda, as a trustee with Canara Rebeco Mutual Fund, a joint venture of Rebeco Group N.V. Netherlands and Canara Bank a leading Nationalised Bank of India.
5.	Mr. Hazari Lal	He is an Independent Director of the Company, He has completed M.A. in from University of Delhi and MSc in Development Management from Glasgow Caledonian University, U.K. He is a developmental and educational administrator and project Management advisor/consultant. In a career spanning for more than four decades, he has worked in various Government departments mostly on development sector, which includes transport, urban development, land regulation, low cost housing and sanitation for urban poor. He retired as Joint Secretary, Ministry of Defense and prior to that he worked as a Director, (Housing) Ministry of Urban Development & Poverty Alleviation, Deputy Secretary, Ministry of Food and Consumer Affair and also a Joint Director, Indian Agricultural Research Institute. Post retirement he has worked as an advisor to a prominent educational institution for establishing a University at Manesar, Gurgaon, Haryana.
6.	Ms Sandhya Baliga	She is an Independent Director of the Company She is a pass out of Indian Revenue Services, 1976 batch and also completed her M.A. and M. Phil. (Public Administration). At present, she is an Insurance Ombudsman (Delhi & Rajasthan). She was a Member and Special Secretary, Central Board of Excise and Customs. She was also a Director General of Inspection and Human Resource Development and also a Chief Commissioner of Central Excise, Mysore. She has also served as Commissioner of Central Excise for various cities and also as Director and Additional Director HUDCO, New Delhi.

Directorship

As per SEBI (LODR) Regulations, 2015 and as decided by the Company, maximum number of directorships hold by a director in a listed company would be seven irrespective of whether the person is appointed as an independent director or not.

Further, any person who is serving as a whole-time director/Managing Director in any listed entity would be serve as an independent director in not more than three listed entities.

The following are the names of listed entities where the directors of the company hold directorship.

Name of the Director	Name of the Company	Directorship
Rakeshkumar Kuldipsingh Wadhawan	Housing Development and Infrastructure Limited	Whole time Director
Sarang Rakesh Wadhawan	Housing Development and Infrastructure Limited	Managing Director
Lalit Mohan Mehta	Housing Development and Infrastructure Limited	Independent Director
Raj Kumar Aggarwal	Housing Development and Infrastructure Limited	Independent Director
Hazari Lal	Housing Development and Infrastructure Limited	Independent Director
Sandhya Baliga	Housing Development and Infrastructure Limited	Independent Director

Board Meetings:

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

Sr. No.	Name of the Director	Category	Number of Board Meeting		Last AGM 30/09/2018
			Held	Attended	
1	Mr. Rakesh Kumar Wadhawan	Promoter and Executive Chairman	4	4	Yes
2	Mr. Sarang Wadhawan	Promoter and Vice Chairman & Managing Director	4	4	Yes
3	Mr. Lalit Mohan Mehta	Non-Executive Independent Director	4	4	Yes
4	Mr. Raj Kumar Aggarwal	Non-Executive Independent Director	4	4	No
5	Mrs. SandhyaBaliga	Non-Executive Independent Director	4	3	No
6	Mr. HazariLal	Non-Executive Independent Director	4	3	No

Meetings:

During the period under review, 4 (Four) Board Meetings were held on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019.

The gap between any two consecutive Meetings did not exceed One Hundred and Twenty days.

BOARD PROCEDURES:

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

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

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

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

Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan share the relationship of father and son. Except Mr. Rakesh Kumar Wadhawan and Mr. Sarang Wadhawan, none of the Directors and Key Managerial Personnel (“KMP”) of the Company holds inter-se relationships during the F.Y. 2018-19.

INDEPENDENT DIRECTORS’ MEETING:

Pursuant to Clause VII of the Code for Independent Directors, Schedule IV to the Act and Regulation 25(3) of the Listing Regulations, the Meeting of Independent Directors of the Company was held on March 29, 2019 and the following matters were discussed:

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

COMMITTEES OF DIRECTORS

In compliance with the Listing Regulations (both mandatory and non-mandatory) and the Act, as on March 31, 2019, the Board has six committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee (“CSR Committee”) and Finance Committee.

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

AUDIT COMMITTEE:

i. Composition and Attendance:

The Audit Committee comprises of experts specialized in Accounting and Financial Management. The Chairperson of the Audit Committee is a Non-Executive Independent Director. The composition of the Audit Committee, as on March 31, 2019, is as under:

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

ii. Meetings:

During the period under review, 4 (four) Audit Committee Meetings were held on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019.

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

iii. Terms of reference:

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

NOMINATION AND REMUNERATION COMMITTEE:

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

i. Composition:

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

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

ii. Meetings:

During the period under review, the Committee has met on May 30, 2018.

iii. Terms of Reference:

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

IV. Performance Evaluation Criteria for Directors:

The criterion for performance evaluation is as under:

Role of Accountability:

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.

- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

Objectivity:

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

Leadership and Initiative:

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

Personal Attributes:

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

Nomination and Remuneration Policy:

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

The details of remuneration of Non-Executive Directors during the F.Y. 2018-19:

(₹ in Lacs)

Sr. No.	Director	Remuneration paid during F.Y. 2017-18		
		Sitting fees	Commission**	Total
1	Mr. Lalit Mohan Mehta	2.40	15.25	17.65
2	Mr. Raj Kumar Aggarwal	2.00	15.25	17.25
3	Mr. Hazari Lal	1.00	15.25	16.25
4	Mrs. Sandhya Baliga	1.40	15.25	16.65

**Mr. Rakesh Kumar Wadhawan, Executive Chairman and Mr. Sarang Wadhawan, Vice Chairman & Managing Director have not taken any remuneration for the F.Y.2018-19.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

This Committee is in place to specifically look into issues relating to redressal of the investors/ shareholders complaints including complaints relating to transfer of shares, non-receipt of Annual Report and non-receipt of declared dividends and/or any other matter relating to investors/ shareholders. The role and terms of reference of the committee cover the area as contemplated under Regulation 20 read with Part D of Schedule II of listing regulations and section 178 of the Act, as applicable, besides other terms as referred by the Board of Directors.

i. Composition:

The composition of the Stakeholders Relationship Committee is as under:

Name of the Director	Category	Designation	Number of Meetings	
			Held	Attended
Mr. Lalit Mohan Mehta	Chairman	Non-Executive Independent Director	1	1
Mr. Sarang Wadhawan	Member	Vice Chairman & Managing Director	1	1
Mr. Raj Kumar Aggarwal *	Member	Non-Executive Independent Director	1	1

*Mr. Raj Kumar Aggarwal become the member of the Stakeholders Relationship Committee vide resolution passed in the Board Meeting held on February 14, 2019 with immediate effect to abide by the recent amendment took place in SEBI(LODR), 2015.

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

Details of Compliance Officer:

Name and Designation of the Compliance Officer	Mr. Darshan D. Majmudar Chief Financial Officer & Company Secretary
Address & Contact details	9-01, HDIL Towers, Anant Kanekar Marg, Bandra (East), Mumbai- 400051 Tel.: +91 22 6788 9000, Fax: +91 22 6788 9090
E-mail id	darshan.majmudar@hdil.in

ii. Meetings:

During the period under review, the Committee has met on May 30, 2018.

iii. Terms of reference:

- Oversee and review all matters connected with the transfer of the Company’s securities.
- Approve issue of the Company’s duplicate share / debenture certificates.
- Consider, resolve and monitor redressal of investors’ / shareholders’ / security holders’ grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee performance of the Company’s Registrar and Share Transfer Agent (“RTA”).
- Recommend methods to upgrade the standard of services to investors;
- Monitor implementation and compliance with the Company’s Code of Conduct for Prohibition of Insider Trading.

- Review measures of taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent.
- Review various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual warrants/ statutory notices by the security holders of the entity.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

Investors’ Complaints:

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

The detail of complaints received, cleared / pending during the F.Y. 2018-19 is asunder:

No. of complaints received	:	27
No. of complaints resolved	:	27
No. of complaints withdrawn	:	Nil
No. of complaints pending	:	Nil

* During the financial year 2018-19, the Company has received 08queries through e-mails and all of these queries were answered appropriately.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

i. Composition:

The composition of CSR Committee is pursuant to the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 Pursuant to Provisions of Section 135 of the Act, the Company was required to spend ₹ 369.92Lacs during the F.Y. 2018-19. The composition of the CSR Committee is as under:

Name of Member	Designation	Category	Number of Meetings	
			Held	Attended
Mr. Rakesh Kumar Wadhawan	Chairman	Executive Chairman	1	1
Mr. Sarang Wadhawan	Member	Vice Chairman & Managing Director	1	1
Mr. Lalit Mohan Mehta	Member	Non-Executive Independent Director	1	1

ii. Meetings:

During the period under review, the Committee has met on May 30, 2018.

iii. Terms of reference:

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

FINANCE COMMITTEE:

i. Composition:

The composition of the Finance Committee is as under:

Name of Member	Designation	Category	Number of Meetings	
			Held	Attended
Mr. Rakesh Kumar Wadhawan	Chairman	Executive Chairman	7	7
Mr. Sarang Wadhawan	Member	Vice Chairman & Managing Director	7	7

ii. Meetings:

During the period under review, the Committee met 7 (Seven) times on April 12, 2018, June 22, 2018, August 13, 2018, September 27, 2018, November 3, 2018, December 12, 2018 and February 8, 2019.

iii. Terms of reference:

- To mortgage and/or create charge on all or any one or more of the moveable / immoveable properties or such other assets of the Company not exceeding the amount as decided by the Shareholders under Section 180(1)(a) of the Act.
- To borrow money not exceeding the amount as decided by the Shareholders under Section 180(1)(c) of the Act and to modify / restructure terms of any security of existing loans, debentures or such other securities and issue guarantees on behalf of the Company and to allot securities.
- To buy and sell the investments of the Company.
- To open banking account, avail various banking services / facilities and to issue instructions for operation of banking accounts.
- To authorise and / or appoint lawyers, advocates, attorney, persons, firm(s), to make representations and

to sign, execute, swear, affirm, file affidavits, declaration, vakalatnama, written statement, rejoinder(s), replies, submit necessary documents, enter into various agreements on behalf of the Company.

- To authorise and appoint any person(s) to appear before any authority, government / statutory bodies, courts or Company.
- To develop, submit and apply for bid / tender for any projects whether related to the Company’s object or not.
- To make application(s) for registration under any act, statute, regulations, authority in the name of the Company and / or to authorise to do so on behalf of the Company.

GENERAL BODY MEETINGS:

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

Financial Year	Location	Day and Date	Time
2017-18	Mumbai Cricket Association Recreation Centre (MCA), G-Block, G-2, Near Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	Saturday, September 29, 2018	11:00 a.m.
2016-17	Mumbai Cricket Association Recreation Centre (MCA), G-Block, G-2, Near Laxmi Towers, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	Friday, September 29, 2017	11:00 a.m.
2015-16	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051	Friday, September 30, 2016	11:00 a.m.

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

AGM Date	Brief particulars of the Resolution
29.09.2018	<ol style="list-style-type: none"> Ratify the remuneration to Cost Auditors. Fund raising programme of the Company not exceeding USD 200 million. Re-appoint Mr. Lalit Mohan Mehta (DIN: 00458975) as Independent Director of the Company for a second term. Re-appoint Mr. Raj Kumar Aggarwal (DIN: 02034914) as Independent Director of the Company for a second term. Adopt new set of Articles of Association as per Companies Act, 2013. Adopt new set of Memorandum of Association as per Companies Act, 2013. Consider preferential Allotment of Convertible Warrants.

AGM Date	Brief particulars of the Resolution
29.09.2017	1. Ratify the remuneration to Cost Auditors. 2. Consider preferential Allotment of Convertible Warrants. 3. Fund raising programme of the Company not exceeding USD 150 million. 4. Consider payment of commission to Non-Executive Directors. 5. Re-appoint of Mr. Rakesh Kumar Wadhawan as Whole Time Director, Designated as Executive Chairman.
30.09.2016	1. Fund raising Programme of the Company.

MEANS OF COMMUNICATION

- Quarterly results:

The newspapers where in results are normally published:

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

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

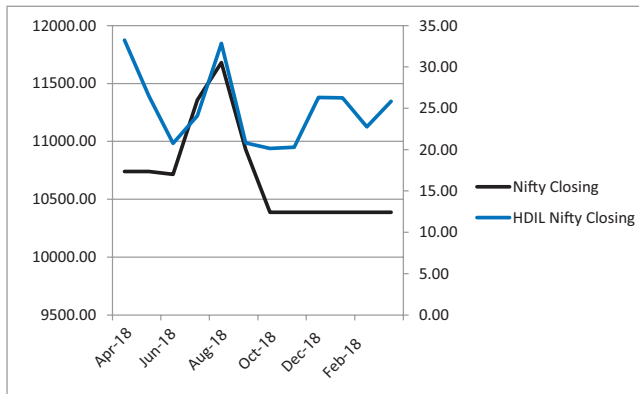
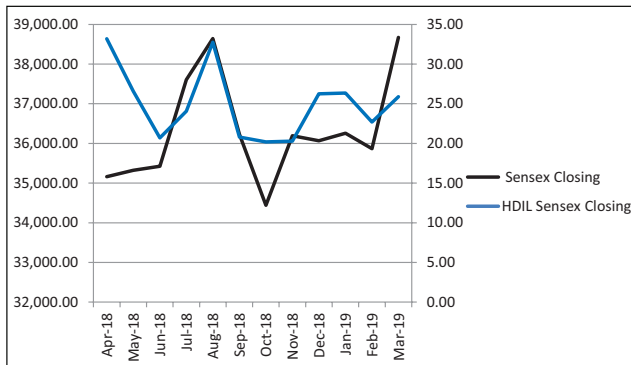
- The Quarterly / Half yearly / Annual Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed with the Stock Exchanges for dissemination on their respective websites.

GENERAL SHAREHOLDERS INFORMATION:

AGM date, venue and time	September 28, 2019, Mumbai Cricket Association Recreation Centre (MCA), G – Block, G-2, Near Laxmi Towers, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 At 11:00 a.m.
Financial year	April 1 to March 31
Dividend Payment Date	N.A.
Listing on Stock Exchanges	1. Bombay Stock Exchange ("BSE") - Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. 2. National Stock Exchange of India ("NSE") - Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.
Scrip Code at BSE	532873
Symbol Code at NSE	HDIL
ISIN of the Equity Share of the Company	INE191I01012
Listing Fees	The Company has paid annual listing fees for the year 2018-19 to BSE Limited and National Stock Exchange of India Limited.
Date of Book Closure:	Saturday, September 21, 2019 to Saturday, September 28, 2019
Plant Location(s)	N.A.
Corporate Identification Number	L70100MH1996PLC101379

Market price data:

Month	Stock Exchange							
	BSE				NSE			
	Share Price		Sensex		Share Price		Nifty	
	High	Low	High	Low	High	Low	High	Low
	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)	(in ₹)
April, 2018	43.00	33.05	35213.30	32972.56	43.05	33.05	10759.00	10111.30
May, 2018	34.90	25.75	35993.53	34302.89	34.90	25.75	10929.20	10417.80
June, 2018	27.30	19.50	35877.41	34784.68	27.40	19.45	10893.25	10550.90
July, 2018	24.10	17.55	37644.59	35106.57	24.15	17.45	11366.00	10604.65
August, 2018	35.20	22.40	38989.65	37128.99	35.20	22.35	11760.20	11234.95
September, 2018	35.65	20.80	38934.35	35985.63	35.85	20.80	11751.80	10850.30
October, 2018	21.90	18.40	36616.64	33291.58	21.90	18.45	11035.65	10004.55
November, 2018	23.70	20.05	36389.22	34303.38	23.70	20.05	10883.05	10341.90
December, 2018	26.90	19.70	36554.99	34426.29	26.90	19.70	10985.15	10333.85
January, 2019	29.65	25.25	36701.03	35375.51	29.70	25.20	10987.45	10583.65
February, 2019	28.75	20.00	37172.18	35287.16	28.85	20.60	11118.10	10585.65
March, 2019	26.60	22.65	38748.54	35926.94	26.60	22.85	11630.35	10871.00


Debenture Trustee:

IDBI Trusteeship Services Limited

Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001

Tel No.: +91 22 4080 7000

Fax: +91 22 6631 1776

 Email id: itsl@idbitrustee.com
Registrar and Share Transfer Agent:

Karvy Fintech Private Limited

Karvy Selenium Tower B, Plot 31-32,

Financial District, Gachibowli, Nanakramguda, Serilingampally Mandal,

Hyderabad - 500 032, India

Tel: +91 040 6716 1500; Fax: +91 040 2300 1153;

Toll Free Number: 1800 3454001;

 e-mail: einward.ris@karvy.com

 Website: www.karvy.com
Share Transfer System:

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

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

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

Distribution of Shareholding as on March 31, 2019:

Shareholding of nominal value	Shareholders		Share Amount	
	Number	% to Total	Amount in ₹	% to Total
Up to – 5000	202835	80.94	269774580.00	5.94
5001 – 10000	22345	8.92	181095840.00	3.99
10001 – 20000	12638	5.04	193385060.00	4.26
20001 – 30000	4449	1.78	114261780.00	2.52
30001 – 40000	2026	0.81	73072340.00	1.61
40001 – 50000	1739	0.69	82247780.00	1.81
50001 – 100000	2622	1.05	193380390.00	4.26
100001 and above	1949	0.78	3432822090.00	75.61
TOTAL	250603	100.00	4540039860.00	100.00

Shareholding Pattern as on March 31, 2019:

Sr. No.	Category of Shareholder	Number of Shares	Percentage
(A)	PROMOTER'S HOLDING		
(1)	Indian	178351266	39.28
(2)	Foreign	-	-
	Total A=A(1)+A(2)	178351266	39.28
(B)	NON PROMOTER'S HOLDING		
(1)	INSTITUTIONS		
(a)	Mutual Funds / UTI	-	-
(b)	Financial Institutions / Banks	2675474	0.59
(c)	Insurance Companies	147857	0.04
(d)	Foreign Institutional Investors	77893481	17.16
(2)	NON-INSTITUTIONS		
(a)	Bodies Corporate	36031198	7.94
(b)	Individuals	152808048	33.65
(c)	Others		
	Non Resident Indians	4615141	1.02
	Trusts	6442	0.00
	Overseas Corporate Bodies	13	0.00
	Clearing Members	1319817	0.29
	NBFCs registered with RBI	155249	0.03
	Total B=B(1)+B(2)	275652720	60.72
	GRAND TOTAL (A+B)	454003986	100.00

Dematerialization of shares and liquidity:

As at March 31, 2019, 99.99% of shareholding aggregating to 45,39,64,932 shares were held in dematerialized form with NSDL and CDSL, while 0.01 % aggregating to 39,054 shares were held in physical form.

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

As on March 31, 2019, Company had allotted 2,00,00,000 Convertible Warrants having option to apply for and be allotted equivalent number of equity shares of the face value of Rs.10/- each at a premium of Rs. 21.10 to Mr. Sarang Wadhawan, Promoter of the Company which has been converted into equity shares as on date of this report. Other than this there are no outstanding GDRs/ ADRs or any convertible instruments likely to have an impact on the Equity Share Capital of the Company.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods and generation of services from third parties, it is all the more subject to risk and rewards of price variations. The Company is, to a certain extent, able to manage the risks of adverse price movements by giving all inclusive construction contracts, with a built in mechanism for moderation of any substantial price movement of key components

of the contract. In respect of contract for finishing and facade items, the commodity/hedging market for these items is not fully developed and the Company keeps on evaluating on continuous basis opportunities for price risk minimisations. In respect of inward remittances from eligible overseas buyers of the residential units constructed by the Company, all billing is in INR and hence the Company is immune to foreign exchange risk on this account.

Address for Correspondence:

Housing Development and Infrastructure Limited
 9-01, HDIL Towers, Anant Kanekar Marg,
 Bandra (East), Mumbai – 400051
 Tel.: +91 22 6788 9000,
 Fax: +91 22 6788 9090
 E-mail ID – info@hdil.in

DISCLOSURES:

- Materially significant related party transactions:**

The Company has no material transactions with its related parties that may have a potential conflict with the interest of the Company. The details of transaction between the Company and the related parties are disclosed for information in Note No. 37 of the Notes to the Financial Statement for the F.Y. ended March 31, 2019.

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

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

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

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

- Vigil Mechanism / Whistle Blower Policy:**

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

- **Policy for determining Material Subsidiaries:**

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

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

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

- **Familiarization Programme:**

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

The induction process is designed to:

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

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

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

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

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

- a. **The Board:** As per para A of Part E of Schedule II of the Listing Regulations, a non-executive Chairman of the Board may be entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company is an Executive Director and hence this provision is not applicable to us.
- b. **Shareholders Rights:** We display our quarterly, half yearly and annual results on our website www.hdil.in and also publish our results in widely circulated newspapers. The complete Annual Report is sent to every Shareholder of the Company.
- c. **Modified opinion(s) in audit report:** The Statutory Auditors have issued an unqualified opinion on the financial statements of the Company.
- d. **Separate posts of Chairman and Chief Executive Officer:** The position of the Chairman and the Managing Director is separate.
- e. **Reporting of internal auditor:** The Internal Auditor reports to the Audit Committee.

- **Statutory Compliance and Penalties:**

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

For and on behalf of the Board of Directors

Place: Mumbai
 Date : May 30, 2019

Rakesh Kumar Wadhawan
Executive Chairman

DECLARATION BY THE MANAGING DIRECTOR

I, Sarang Wadhawan, Vice Chairman & Managing Director of Housing Development and Infrastructure Limited, hereby declare that all the Members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended March 31, 2019.

Place: Mumbai
Date: May 30, 2019

Sarang Wadhawan
Vice Chairman & Managing Director

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members of Housing Development and Infrastructure Limited

We have examined all the relevant records of **Housing Development and Infrastructure Limited ("the Company")** for the purpose of certifying compliance of the conditions of the Corporate Governance under Regulation 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paras C, D and E of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR**") from the period April 1, 2018 to March 31, 2019. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

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

The compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the Listing Regulations, the Company has complied with all the applicable requirements.

for **M/s. Rajeswari & Associates**
Chartered Accountants
Firm Registration Number - 123005W

Ms. SVN Rajeswari
Proprietor
Membership No. 112940

Place: Mumbai
Date: May 30, 2019

To

**The Board of Directors,
Housing Development and Infrastructure Limited**

9-01, HDIL Towers,
Anant Kanekar Marg,
Bandra (East),
Mumbai- 400051.

Subject: Declaration by Practicing Company Secretary pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding non-disqualification of the Directors.

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and on the basis of the declaration received from the Directors of Housing Development And Infrastructure Limited (the 'Company'), I Mr. Suhas Sadanand Ganpule, Company Secretary in Practice hereby declare that the under stated Directors of the Company are not debarred or disqualified from being appointed or to continue as Directors of the Company by the SEBI/Ministry of Corporate Affairs or any another Statutory Authority for the year ended March 31, 2019:

Name of the Director	
Mr. Rakeshkumar Kuldipsingh Wadhawan	00028573
Mr. Sarang Rakesh Wadhawa	00028608
Mr. Lalit Mohan Mehta	00458975
Mr. Raj Kumar Aggarwal	02034914
Mr. Hazari Lal	06696100
Mr. Sandhya Baliga	07015987

**For S G & Associates
Practicing Company Secretary**

**Suhas s. Ganpule
Proprietor
ACS: 12122, CP No. 5722**

To

The Board of Directors

Housing Development and Infrastructure Limited

HDIL Towers, Anant Kanekar Marg,

Bandra (East),

Mumbai – 400 051

Dear Sir,

I, Sarang Wadhawan, Vice Chairman & Managing Director of Housing Development and Infrastructure Limited on the basis of review of the Financial Statement and Cash Flow Statement for the financial year ending March 31, 2019 and to the best of our knowledge and belief, hereby certify that:

1. These statement do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. There are, to the best of their knowledge and belief, no transactions entered into by the company during the year ended March 31, 2019 which are fraudulent, illegal or violative of the company's code of conduct.
4. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and through Quarterly Internal Audit Report to Audit Committee of the Board, deficiencies in the design or operation of internal controls, of which we are aware and the steps have been taken to rectify those deficiencies and subsequently, the same were rectified by the Company.
5. We further certify that:
 - i. there have been no significant changes in internal control during this year;
 - ii. there have been no significant changes in accounting policies during this year except method of Depreciation on Fixed Assets as provided in Schedule II of the Companies Act, 2013; and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the company's internal control system.

Sarang Wadhawan

Vice Chairman & Managing Director

Place: Mumbai

Dated: May 30, 2019

NOMINATION AND REMUNERATION POLICY

PREAMBLE

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and other employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company

The Board of Directors (the Board) of Housing Development And Infrastructure Limited (the Company) at its meeting held on May 15, 2015, re-constituted the existing Remuneration Committee by changing its nomenclature as Nomination and Remuneration Committee in compliance with the terms of the provisions of Section 178 of the Companies Act, 2013 read with Rules made there under (the Act) and revised Clause 49 of the Listing Agreement on Corporate Governance and subsequent amendments thereto from time to time.

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

OBJECT AND PURPOSE

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

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

APPLICABILITY AND GOVERNING LAW

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

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

DEFINITIONS

In this policy unless the context otherwise requires:

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

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

"Company" means Housing Development and Infrastructure Limited.

"Directors" means Directors of the Company.

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

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

- (i) managing director, or Chief Executive Officer or manager and in their absence, a whole-time director;
- (ii) company secretary; and
- (ii) Chief Financial Officer :

Provided that an individual shall not be appointed or reappointed as the chairperson of the company, in pursuance of the articles of the company, as well as the managing director or Chief Executive Officer of the company at the same time after the date of commencement of this Act unless,—

- (a) the articles of such a company provide otherwise; or
- (b) the company does not carry multiple businesses: "Senior Management

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

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

NOMINATION AND REMUNERATION COMMITTEE

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

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

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

ROLE OF THE NOMINATION AND REMUNERATION COMMITTEE

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

- Identify person who is qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performances;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and Employees;
- Devising a policy on Board diversity;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Ensure that the Board comprises of a balanced combination of Executive Directors and Non- executive Directors and also the Independent Directors; and
- Decide/ approve details of fixed components and performance linked incentives along with criteria.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

(i) Appointment criteria and qualifications:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board about his / her appointment;
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position;
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the Shareholders of the Company.

(ii) Term / Tenure:

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term;
- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company

and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report;

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly;
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

(iii) Evaluation:

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

(iv) Removal:

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

(v) Retirement:

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

REMUNERATION FOR DIRECTOR, KMP AND SENIOR MANAGEMENT

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

- The remuneration / compensation / commission etc. to the Whole-time Director, Managing Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director and Managing Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act and the rules made thereunder.
- Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director and Managing Director.

- This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board. Any departure from the policy shall be recorded and reasoned in the Committee and Board meeting minutes.

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

Fixed pay:

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

Minimum Remuneration:

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

Provisions for excess remuneration:

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

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

Remuneration / Commission:

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

Sitting Fees:

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

Commission:

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

Stock Options:

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

REVIEW

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

**To the Members of
 Housing Development and Infrastructure Limited
 Report on the Standalone Ind AS Financial Statements**

Opinion

We have audited the accompanying standalone Ind AS financial statements of HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are Independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there-under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Disclosure of revenue in view of adoption of Ind AS 115 "Revenue Recognition by Real Estate Entities" The application of the new revenue accounting standard needs to determine revenue recognition on the basis of whether performance	The Revenue from the projects is to be recognized by applying Percentage of Completion Method as per the Guidance Note on Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of

Sr. No.	Key Audit Matter	Auditor's Response
	obligations are satisfied 'over time' or 'at a point of time'.	India. However, as per the Board's resolution passed by the Management, for all the ongoing projects as on the date of introduction of Guidance Note and also where Company has already commenced the recognition of the revenue from the projects before such enactment, the Company will follow completed project method of accounting ("Project Completion Method of Accounting"). Since none of the projects were commenced after the introduction of the Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and after implementation of Ind AS 115, the Revenue is recognized as per Project Completion Method of Accounting which is in consistence with the company's accounting policy.
2	Evaluation of uncertain tax positions The company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes	Principal Audit Procedures We had obtained details of completed tax assessments and demands pending till March 31, 2019 from the Management. We had discussed the matters with the concerned professionals to whom the matters were assigned, to verify the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes and also considered the legal precedence and other rulings in evaluating Management's position on these uncertain tax positions.

Information other than the Standalone Financial Statements and Auditor's Report thereon

The company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure' to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flow of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

- (g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) 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 standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

For **Rajeswari & Associates,**
 Chartered Accountants
 Firm Registration No: 123005W

SVN Rajeswari
 Partner
 Membership No.: 112940

Place : Mumbai
 Date : 30th May, 2019

"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the standalone Ind AS financial statements for the year ended on 31st March, 2019 of **HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED**:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative and situation of fixed assets.
- (b) The company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of the immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. On the basis of our examination of inventory records, no material discrepancy was noticed.
- (iii) According to the information and explanations given to us, the Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act and therefore, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits from the public during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016 prescribed by the Central Government under Section 148 (1) of the Act and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service-Tax, VAT, Goods and Sales Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service-Tax, VAT, Goods and Sales Tax,

Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable except for the following.

Nature of dues (including interest)	Amount (₹ in crores)
TDS	13.23
Service Tax	0.34
MVAT	2.24
ESIC, PF and PT	4.52
Goods and Service Tax	0.36

- (c) According to the information and explanations given to us, the following are the dues of Income Tax which have not been deposited with the appropriate authorities on account of dispute.

Name of The Statute	Nature of Dues	Forum where the Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in cr.)	Amount unpaid (₹ in cr.)
Income Tax Act, 1961	Income Tax	CIT Appeals Mumbai	FY 2008-09	30.36	30.36
			FY 2009-10	10.00	10.00
			FY 2010-11	232.30	232.30
			FY 2012-13	129.13	129.13
			FY 2015-16	137.42	137.42
Income Tax Act, 1961	Income Tax	ITAT, Mumbai	FY 2010-11	257.72	257.72
			FY 2013-14	84.40	84.40
			FY 2011-12	14.19	14.19
			FY 2014-15	137.28	137.28

- (viii) Based on our Audit procedures and as per the information and explanations given by the management, the Company has defaulted in repayment of loans and interest to banks and financial institutions. Unpaid overdue interest and principal to banks and financial institutions as at 31st March, 2019 is aggregated to Rs.1780.97 crores. The overdue relates to the Financial Years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19.
- (ix) The Company has not raised funds through initial public offer or further public offer (including debt instruments) and term loans during the financial year.
- (x) Based on the audit procedure performed and the representation obtained from the management, no case of fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company as specified by the Act and hence the provisions under clause (xii) of the Paragraph 3 of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with sections 177

and 188 of the companies Act, 2013 where applicable, for all transactions with its related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- (xiv) During the year, the Company had issued 2 crore Equity shares of the face value of Rs. 10 each by converting share warrants at the option of Mr. Sarang Wadhawan, Promoter of the Company.

Further, during the year, the Company had issued 2 crores convertible warrants having option to apply for and be allotted an equivalent number of equity shares of the face value of Rs.10 each at a premium of Rs.21.10 to Mr. Sarang Wadhawan, Promoter of the Company and accordingly all compliances of section 42 of the Act have been complied with. The amount raised through preferential allotment has been used for the purpose for which they have been raised.

- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

For Rajeswari & Associates,
Chartered Accountants
Firm Registration No: 123005W

SVN Rajeswari
Proprietor
Membership No.: 112940

Place : Mumbai
Date : 30th May, 2019

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

We have audited the internal financial controls over financial reporting of **HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED** ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone Ind AS 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 Act.

Auditor's 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 Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Rajeswari & Associates**,
Chartered Accountants
Firm Registration No: 123005W

SVN Rajeswari
Proprietor
Membership No.: 112940

Place : Mumbai
Date : 30th May, 2019

(₹ in Lacs)			
Particulars	Note No.	31 st March, 2019	31 st March, 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	10,712.96	11,119.08
Investment Property	3	10,488.69	10,626.72
Other Intangible assets	4	2.90	9.72
Financial Assets			
Investments	5	78,884.99	1,08,320.55
Others	6	846.12	848.11
Current assets			
Inventories	7	12,03,307.79	12,26,483.15
Financial Assets			
Investments	8	101.58	101.58
Trade receivables	9	37,881.65	38,243.65
Cash and cash equivalents	10	523.21	315.80
Bank balances other than above	11	12,009.17	11,267.00
Others	12	7,463.28	7,892.66
Other current assets	13	2,46,203.67	2,05,804.76
Total Assets		16,08,426.01	16,21,032.78
EQUITY AND LIABILITIES			
Equity Share capital	14	45,400.40	43,400.40
Other Equity	15	11,26,171.56	11,02,479.44
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	16	309.00	17,714.95
Other financial liabilities	17	240.39	324.12
Provisions	18	404.70	368.14
Deferred tax liabilities (Net)	19	2,932.09	3,008.72
Current liabilities			
Financial Liabilities			
Borrowings	20	1,50,096.14	1,52,889.09
Trade payables	21	45,159.95	45,708.59
Other financial liabilities	22	68,939.68	93,177.73
Other current liabilities	23	1,53,725.04	1,48,919.90
Provisions	24	371.18	360.94
Current Tax Liabilities (Net)	25	14,675.88	12,680.76
Total Equity and Liabilities		16,08,426.01	16,21,032.78
Accounting Policies			
(The accompanying notes form an integral part of the financial statements.)			

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates
Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

Sarang Wadhawan
Vice Chairman & Managing Director
DIN : 00028608

Raj Kumar Aggarwal
Director
DIN : 02034914

CA. SVN Rajeswari
Proprietor
Membership No. 112940

Lalit Mohan Mehta
Director
DIN : 00458975

Hazari Lal
Director
DIN : 06696100

Sandhya Baliga
Director
DIN : 07015987

Place : Mumbai
Date: 30th May, 2019

Darshan Majmudar
Chief Financial Officer and
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)

Particulars	Note No.	31 st March, 2019	31 st March, 2018
Revenue From Operations	26	58,376.30	38,775.07
Other Income	27	1,744.13	1,462.00
Total Income		60,120.43	40,237.07
EXPENSES			
Cost of materials consumed	28	22,882.45	35,321.28
Changes in inventories of finished goods and work-in-progress	29	1,224.01	(34,345.99)
Employee benefits expense	30	2,230.44	3,081.84
Finance costs	31	19,186.67	26,786.35
Depreciation and amortization expense	2,3,4	539.43	677.21
Other expenses	32	2,269.81	2,771.52
Total expenses		48,332.81	34,292.21
Profit before exceptional items and tax		11,787.62	5,944.86
Exceptional Items		-	-
Profit before tax		11,787.62	5,944.86
Tax expense:			
Current tax		2,246.13	1,132.79
Deferred tax		(76.63)	(238.42)
Income tax on earlier years		-	(4,482.03)
		2,169.50	(3,587.66)
Profit for the period		9,618.12	9,532.52
Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans (Expenses)/ Income		(46.00)	95.78
(B) Items that will be reclassified to profit or loss		-	-
		(46.00)	95.78
Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)		9,572.12	9,628.30
Earnings per equity share (for continuing operation):			
Basic		2.11	2.22
Diluted		2.11	2.19
Accounting Policies	1		
(The accompanying notes form an integral part of the financial statements.)			

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates
Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan
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DIN : 07015987

Place : Mumbai
Date: 30th May, 2019

Darshan Majmudar
Chief Financial Officer and
Company Secretary

STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

A. Equity Share Capital

Particulars	31 st March, 2019	31 st March, 2018
Balance at the beginning of the year	43,400.40	43,400.40
Change in Equity share capital during the year	2,000.00	-
Balance at the end of the year	45,400.40	43,400.40

B. Other Equity

Particulars	Reserves & Surplus				Money received against Share Warrant	Total Equity
	Securities Premium Reserve	Debenture Redemption Reserve	General Reserves	Retained Earnings		
As at 1st April, 2018	5,04,643.48	17,501.78	5,20,307.67	55,826.51	4,200.00	11,02,479.44
Profit for the year	-	-	-	9,714.52	-	9,714.52
Addition during the year	12,100.00	-	-	-	18,558.00	30,658.00
Other Comprehensive Income for the year	-	-	-	(142.40)	-	(142.40)
Total Comprehensive income for the year	12,100.00	-	-	9,572.12	18,558.00	40,230.12
Contributions by and distributions to owners						
Transfer to Share Capital	-	-	-	-	(16,538.00)	(16,538.00)
as on 31st March, 2019	5,16,743.48	17,501.78	5,20,307.67	65,398.63	6,220.00	11,26,171.56

For and on behalf of the Board of Directors

For Rajeswari & Associates

Chartered Accountants,
Firm Registration Number: 123005W

CA. SVN Rajeswari

Proprietor
Membership No. 112940

Place : Mumbai

Date: 30th May, 2019

Rakesh Kumar Wadhawan

Executive Chairman
DIN : 00028573

Lalit Mohan Mehta

Director
DIN : 00458975

Darshan Majmudar

Chief Financial Officer and
Company Secretary

Sarang Wadhawan

Vice Chairman & Managing Director
DIN : 00028608

Hazari Lal

Director
DIN : 06696100

Raj Kumar Aggarwal

Director
DIN : 02034914

Sandhya Baliga

Director
DIN : 07015987

CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)				
Particulars	31 st March, 2019		31 st March, 2018	
A Cash flow from operating activities				
Net profit before tax		11,787.63		5,944.83
Adjustments for :				
Depreciation and amortisation expense	539.43		677.21	
Interest expenses	19,186.67		26,786.34	
Interest received	(1,056.63)		(1,048.69)	
Dividend received	(5.25)		(5.25)	
Remeasurements of the defined benefit plans (Expenses)/ Income	(46.00)		95.78	
Loss on sale of fixed assets	(0.60)		0.56	
Profit on sale of fixed assets	-		(0.80)	
Operating profit before working capital changes		18,617.62		26,505.15
Movements in working capital :		30,405.25		32,449.98
Decrease / (Increase) in inventories	23,175.36		(62,025.27)	
Decrease / (Increase) in trade receivable	362.01		(12,048.68)	
Decrease / (Increase) in other receivables	(39,258.30)		37,226.67	
(Decrease) / Increase in non financial liabilities	(11,450.66)		(8.14)	
(Decrease) / Increase in financial liabilities	(17,516.35)	(44,687.94)	42,074.37	5,218.95
Net movement in working capital				
Cash generated from operations		(14,282.69)		37,668.93
Less : Direct taxes paid (net of refunds)		251.01		263.53
Net cash from operating activities		(14,533.70)		37,405.40
B Cash flows from investing activities				
Interest received	1,056.63		1,048.69	
Dividend received	5.25		5.25	
Purchase of fixed assets	(4.56)		(0.76)	
Proceeds from sale of investment	29,435.56		780.00	
Proceeds from sale of fixed asset	15.60		6.89	
Net cash from investing activities		30,508.48		1,840.07
C Cash flows from financing activities				
Repayment of borrowings	(13,021.21)		(16,653.55)	
Proceeds from share warrants	16,120.00		4,200.00	
Interest paid	(19,186.67)		(26,786.34)	
Net cash used in financing activities		(16,087.88)		(39,239.89)
Net increase in cash and cash equivalents (A + B + C)		(113.10)		5.58
Cash and cash equivalents at the beginning of the year		2,340.81		2,335.23
Cash and cash equivalents at the end of the year		2,227.71		2,340.81
Components of cash and cash equivalents as at		31st Mar 2019		31st Mar 2018
Cash on hand		84.97		118.72
With banks - on current account		416.62		54.10
- on Escrow account		21.63		142.98
- on deposit account		12,817.12		12,074.95
- in Overdraft with Bank		(11,112.63)		(10,049.94)
Total		2,227.71		2,340.81

Note : Figures in the brackets indicate outflow.

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates

Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan

Executive Chairman
DIN : 00028573

Sarang Wadhawan

Vice Chairman & Managing Director
DIN : 00028608

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Membership No. 112940

Lalit Mohan Mehta

Director
DIN : 00458975

Hazari Lal

Director
DIN : 06696100

Sandhya Baliga

Director
DIN : 07015987

Place : Mumbai
Date: 30th May, 2019

Darshan Majmudar
Chief Financial Officer and
Company Secretary

1. Corporate Information

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

1.1. Significant accounting policies

a) Basis of preparation

Statement of compliance with Ind AS

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

b) Revenue recognition

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

i) Sale:-

1) Revenue from Contracts with Customers:-

Pursuant to the application of Ind AS 115 - 'Revenue from Contracts with Customers' effective from 1 April 2018, the Company has applied following accounting policy for revenue recognition:

Revenue is measured at the fair value of the consideration received/ receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognize revenue in the standalone financial statements. The Company satisfies a performance obligation and recognizes revenue over time, if any one of the following criteria is met:

- a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is recognized either at point of time or over a period of time based on various conditions as included in the contracts with customers.

Point of Time:

Revenue from real-estate projects

Revenue is recognized at a Point in Time w.r.t. sale of real estate units, including land, plots, apartments, commercial units, development rights as and when the control passes on to the customer which coincides with handing over of the possession to the customer.

Over a period of time:

The income in the nature of rent, interest, dividend, share of profit from Joint Ventures and profit on sale of on investment is accounted for on an accrual basis over the period of time, except in cases where ultimate collection is not reasonably ascertained.

2) Contract balances:

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognized when there is billing in excess of revenue and advance received from customers.

3) Changes in accounting policies and disclosures

New and amended standards

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

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

a. Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The company has been following Project Completion Method, i.e., recognition of revenue on basis/ possession given to customers on all projects outstanding as on 1 April 2018 and during the year 2018-19. Therefore, there is no significant impact of introduction of this standard on the company's financial statements.

b. Amendment to Ind AS 38 Intangible assets acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Company's standalone financial statements.

c. Amendments to Ind AS 40 Transfers of Investment Property

The amendments clarify when an entity can transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Since Company's current practice is in line with the clarifications issued, there is no material effect standalone financial statements.

ii) Rent:-

Revenue is recognised on accrual basis.

iii) Interest: -

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

iv) Dividends:-

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

v) Share of profit from joint ventures:-

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

vi) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

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

d) Transactions in foreign currencies

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

- i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.
- iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

- i) The Company operates both defined benefit and defined contribution schemes for its employees.
 For defined contribution schemes the amount charged as expense is equal to the contributions paid or payable when employees have rendered services entitling them to the contributions.
 For post-employment benefit plans and other long term employee benefit plans, actuarial valuations are carried out at each balance sheet date using the Projected Unit Credit Method.
 Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.
- ii) The Company recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non- routine settlements and net interest expense or income as an expense in the statement of profit and loss.
- iii) The Company's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
- iv) Short-term employee benefits are expensed as the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

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

ii) Deferred tax

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

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

iii) Minimum Alternate Tax (MAT)

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

g) Property, plant and equipments and intangible assets

- i) Property plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- ii) Capital work-in-progress comprises cost of Property, Plant & equipment and related expenses that are not yet ready for their intended use at the reporting date.
- iii) Intangible assets which have definite useful life are stated at cost less accumulated amortisation and impairment loss. The intangible assets which have indefinite life are not amortised but tested for impairment annually.
- iv) Investment property

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

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

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

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

- i) Depreciation on Property, Plant & Equipment is provided on the straight-line method over the useful lives of assets as specified in Schedule II of the Companies Act, 2013. Depreciation for assets purchased / sold during a year is proportionately charged. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, commencing from the date of asset is available to the Company for its use. The estimated useful life and residual value is reviewed at the end of each reporting financial year and changes, if any, are accounted for prospectively.
- ii) Based on an independent technical evaluation, the useful life of Mobile Phones has been estimated as 3 years, which is different from that prescribed in Schedule II of the Act.

i) Borrowing costs

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

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

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

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

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

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

k) Inventories

Inventories are valued as follows:

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

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

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

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

l) Financial instruments

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

i) Initial Recognition

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

ii) Subsequent Measurement - Financial Assets

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

- **Debt Instrument**

Amortised Cost

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

Fair value through other comprehensive income (FVTOCI)

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

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

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

Fair value through Profit and Loss (FVTPL)

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

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

- **Equity investments**

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

- **Investment in subsidiaries**

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

- **Derecognition of financial assets**

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

- **Impairment of financial assets**

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

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

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

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

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

- **Derecognition of financial liabilities**

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

- **Offsetting of financial instruments**

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

- **Determination of fair value**

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

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

Reclassification of financial assets and liabilities

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those

assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

m) Provisions, contingent liabilities and contingent assets

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

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

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

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

n) Earnings per share

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

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

o) Cash and cash equivalent

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

p) Segment reporting policies

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

(₹ in Lacs)

	Freehold Land and Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Computers	Total
2. Property, Plant and Equipment							
Cost							
At 31st Mar, 2017	11,561.04	670.07	310.11	500.59	110.44	35.11	13,187.36
Addition	-	-	-	-	-0.41	-	-0.41
Disposals	-	-0.57	-	-43.21	-0.22	-2.04	-46.04
At 31st Mar, 2018	11,561.04	669.50	310.11	457.38	109.81	33.07	13,140.91
Addition	-	-	-	-	0.21	4.35	4.56
Disposals	-	-	-	-177.37	-	-	-177.37
At 31st Mar, 2019	11,561.04	669.50	310.11	280.01	110.02	37.42	12,968.10
Depreciation							
At 31st Mar, 2017	932.95	192.91	138.21	219.49	77.11	21.36	1,582.03
Depreciation charge for the year	213.26	92.66	65.73	85.24	15.39	8.07	480.35
Disposals	-	-0.29	-	-38.04	-0.19	-2.03	-40.55
At 31st Mar, 2018	1,146.21	285.28	203.94	266.69	92.31	27.40	2,021.83
Depreciation charge for the year	213.26	64.02	54.79	47.55	10.51	4.45	394.58
Disposals	-	-	-	-161.27	-	-	-161.27
At 31st Mar, 2019	1,359.47	349.30	258.73	152.97	102.82	31.85	2,255.14
Net book value							
At 31st Mar, 2019	10,201.57	320.20	51.38	127.04	7.20	5.57	10,712.96
At 31st Mar, 2018	10,414.83	384.22	106.17	190.69	17.50	5.67	11,119.08
At 31st Mar, 2017	10,628.09	477.16	171.90	281.10	33.33	13.75	11,605.33
3. Investment Property							
Balance as at 31st Mar, 2017							11,298.00
Balance as at 31st Mar, 2018							11,298.00
Balance as at 31st Mar, 2019							11,298.00
Depreciation							
Balance as at 31st Mar, 2017							481.95
Depreciation charge for the year							189.33
Balance as at 31st Mar, 2018							671.28
Depreciation charge for the year							138.03
Closing Balance as at 31st Mar, 2019							809.30
Net book value							
At 31st March, 2019 (Fair Value ₹ 8,11,74,06,695)							10,488.69
At 31st March, 2018 (Fair Value ₹ 8,11,74,06,695)							10,626.72
At 31st March, 2017 (Fair Value ₹ 11,47,77,01,861)							10,816.05

Note :

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

(₹ in Lacs)

Information regarding Income and expenditure of Investment Property		
Particulars	As at 31 st March 2019	As at 31 st March 2018
Rental income derived from Investment Properties	759.57	743.20
Less : Depreciation	-138.03	-189.33
Profit arising from investment properties before indirect expenses	621.54	553.87
4. Other Intangible assets		
Balance as at 31st March, 2017		769.65
Balance as at 31st March, 2018		766.39
Balance as at 31st Mar, 2019		766.39
Depreciation		
At 31st March, 2017		752.40
Depreciation charge for the year		7.52
Disposals		-3.25
At 31st March, 2018		756.67
Depreciation charge for the year		6.82
At 31st March, 2019		763.49
Net book value		
At 31st March, 2019		2.90
At 31st March, 2018		9.72
At 31st March, 2017		17.24

(₹ in Lacs)

Particulars	As at 31 st March 2019	As at 31 st March 2018
5. Investments (Non Current)		
Investments in Equity Instruments		
Other than trade (Unquoted Shares)		
Punjab and Maharashtra Co-op. Bank Limited	47.50	47.50
1,90,000 (previous year 1,90,000) Equity Shares of ₹ 25/- each fully paidup		
Dreams The Mall Company Limited	9.40	9.40
93,957 (previous year 93,957) Equity Shares of ₹ 10/- each fully paidup		
	56.90	56.90
In subsidiary Company (Unquoted Shares)		
Privilege Power and Infrastructure Private Limited	36,145.79	36,145.79
1,61,05,000 (previous year 1,61,05,000) Equity Shares of ₹ 100/- each fully paidup		
Blue Star Realtors Private Limited		29,435.56
Nil (previous year 34,00,000) Equity Shares of ₹ 10/- each fully paidup		
Mazda Estates Private Limited	2,746.35	2,746.35
4,10,000 (previous year 4,10,000) Equity Shares of ₹ 10/- each fully paidup		
Guruashish Construction Private Limited *	29,948.75	29,948.75
31,00,000 (previous year 31,00,000) Equity Shares of ₹ 100/- each fully paidup		
BKC Developers Private Limited	9,297.20	9,297.20
98,500 (previous year 98,500) Equity Shares of ₹ 10/- each fully paidup		
Lashkaria Construction Private Limited	690.00	690.00
69,00,000 (previous year 69,00,000) Equity Shares of ₹ 10/- each fully paidup		
	78,828.09	1,08,263.65
	78,884.99	1,08,320.55

* Guruashish Construction Private Limited, a wholly owned Subsidiary Company has been admitted under Insolvency & Bankruptcy Code 2016 by National Company Law Tribunal. Resolution plan as approved by the committee of Creditors is pending approval by National Company Law Tribunal due to cancellation of Development Agreement by MHADA. The Company has filed appeal in Hon'ble Supreme Court against the Order of NCLAT. Pending Hon'ble Supreme Court decision, the Subsidiary Company has been treated as a going concern.

Particulars	(₹ in Lacs)	
	As at 31 st March 2019	As at 31 st March 2018
6. Others (Non Current)		
Security Deposits	38.17	40.16
Bank deposits with more than 12 months maturity	807.95	807.95
	846.12	848.11
7. Inventories:		
Work-in-progress	11,80,612.10	12,00,981.76
Finished goods	22,695.69	25,501.39
	12,03,307.79	12,26,483.15
8. Current Investments		
Investments in partnership firms		
M/s Fine Developers (Fixed Capital ₹ Nil) (Share of profit-90%, other partner and share of profit is Sapphire Land Development Private Limited - 10%.)	1.58	1.58
Heritage Housing Development Corporation (Fixed Capital ₹ Nil) (Share of profit-60%, other partner and share of profit is Pioneer India Developers Private Limited - 40%.)	100.00	100.00
	101.58	101.58
9. Trade receivables		
Secured, considered good	37,881.65	38,243.65
	37,881.65	38,243.65
10. Cash and cash equivalents		
Balances with Banks (of the nature of cash and cash equivalents);		
Current accounts	416.62	54.10
Current Account balances in Escrow Account	21.62	142.98
Cash on hand	84.97	118.72
	523.21	315.80
11. Bank balances		
In Fixed Deposit with less than a year maturity	12,009.17	11,267.00
	12,009.17	11,267.00
* includes fixed deposits of ₹ 1,890.82 lacs (previous year ₹ 1,856.47 lacs) pledged with bank as security for bank guarantees, and ₹ 10,891.30 lacs (previous year ₹ 9,373.28 lacs) pledged with bank as security for bank overdraft.		
12. Financial Assets : Others		
Security Deposits	966.11	1,440.79
Advances to related parties		
Loan to subsidiaries	5,558.62	5,668.46
Other advances		
Loans to employees	92.04	92.53
Interest accrued on fixed deposits	846.51	690.88
	7,463.28	7,892.66

Particulars	(₹ in Lacs)	
	As at 31 st March 2019	As at 31 st March 2018
13. Others		
Advance to suppliers	13,394.13	13,739.37
Advances for land purchase /tenancy / claims / development rights	2,32,722.28	1,91,995.88
Deferred Rent income (Straight line)	84.02	61.62
Prepaid expenses	3.24	7.89
	2,46,203.67	2,05,804.76
14. Share Capital		
Authorised		
1,00,00,00,000 (previous year 1,00,00,00,000) Equity Share of ₹ 10/- each	1,00,000.00	1,00,000.00
Issued, Subscribed and Paid up		
45,40,03,986 (previous year 43,40,03,986) Equity Shares of ₹ 10/- each fully paid-up	45,400.40	43,400.40
	45,400.40	43,400.40

Terms / rights attached to shares :

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

(i) Reconciliation of the number of shares outstanding :

Particulars		31 st March, 2019	31 st March, 2018
		Number	Number
Shares outstanding at the beginning of the year		43,40,03,986	43,40,03,986
Shares Issued during the year		2,00,00,000	-
Shares outstanding at the end of the year		45,40,03,986	45,40,03,986
(ii) Shares in the Company held by each shareholder holding more than 5 percent :			
Sarang Kumar Wadhawan	Number	3,91,59,115	-
	%	8.63%	
Privilege Distilleries Private Limited	Number	2,49,47,891	2,48,22,086
	%	5.50%	5.72%
Dinshaw Trapinex Builders Private Limited	Number	2,86,48,434	2,85,22,629
	%	6.31%	6.57%
Dheeraj Consultancy Private Limited	Number	2,86,48,436	2,85,22,630
	%	6.31%	6.57%
Interactive Multimedia Technologies Private Limited	Number	3,01,53,106	3,00,27,300
	%	6.64%	6.92%
Orbis SICAV - Asia Ex- Japan Equity Fund	Number	2,67,88,612	2,67,88,612
	%	5.90%	6.17%

Particulars	(₹ in Lacs)	
	31 st March 2019	31 st March 2018
15. Other Equity		
Securities Premium Reserve	5,16,743.48	5,04,643.48
Debenture Redemption Reserve	17,501.78	17,501.78
General Reserves	5,20,307.67	5,20,307.67
Retained Earnings	65,398.63	55,826.51
Money received against Share Warrant	6,220.00	4,200.00
	11,26,171.56	11,02,479.44

(₹ in Lacs)

Particulars	31 st March 2019	31 st March 2018
16. Non Current Borrowings		
Term loans		
From Scheduled Banks	-	7,865.88
From Financial Institutions	309.00	9,849.07
For details of security, Please refer Note No. 20	309.00	17,714.95

(₹ in Lacs)

Particulars	31 st March 2019	31 st March 2018
17. Other financial liabilities (Non current)		
Security deposit - Prepaid Advance	167.54	178.42
Finance Guarantee Obligation	72.85	145.70
	240.39	324.12
For details of security, Please refer Note No. 20		
18. Provisions (Non current)		
Provision for employee benefits		
Gratuity	303.10	221.92
Leave Encashment	101.60	146.22
	404.70	368.14
19. Deferred tax liabilities (Net)		
Liabilities		
Related to fixed assets	3,146.91	3,198.99
other	53.71	62.06
Assets		
Provision for gratuity	203.51	164.32
Provision for encashment of leave	65.02	88.01
	2,932.09	3,008.72

19.1 Movement in Deferred Tax Balances

Particulars	Balance as at 31 st Mar, 2018	Movement during the year		Balance as at 31 st Mar, 2018
		Recognised in Profit & Loss	Recognised in Equity	
Property, Plant & Equipment and Intangible Assets	(3,198.99)	52.08	-	(3,146.91)
Lease Rental	(21.33)	(7.75)	-	(29.07)
Borrowing cost amortisation	(40.74)	16.11	-	(24.63)
Provision for gratuity	164.32	39.19	-	203.51
Provision for encashment of leave	88.01	(23.99)	-	65.02
	(3,008.72)	75.64	-	(2,932.08)

19.2 Movement in Deferred Tax Balances

Particulars	Balance as at 31 st Mar, 2017	Movement during the year		Balance as at 31 st Mar, 2017
		Recognised in Profit & Loss	Recognised in Equity	
Property, Plant & Equipment and Intangible Assets	-3,419.28	220.30	-	-3,198.99
Lease Rental	-13.96	-7.36	-	-21.33
Borrowing cost amortisation	-64.47	23.73	-	-40.74
Provision for gratuity	133.59	30.73	-	164.32
Provision for encashment of leave	116.99	-28.98	-	88.01
	-3,247.14	238.42	-	-3,008.72
			31st March, 2019	31st March, 2018
Reconciliation of Effective Tax Rate				
Profit Before Tax			11,787.62	5,944.86
Current tax			2,246.13	1,132.79
Deferred tax			(76.63)	(238.42)
Tax of Prior years			-	(4,482.03)
			2,169.51	(3,587.67)

A reconciliation of income tax expenses application to profit before income tax at statutory rate to the income tax expense at Company's effective income tax rate for the year ended 31st March, 2019 and 31st March, 2018 as follows:

(₹ in Lacs)

Particulars	31 st March, 2019	31 st March, 2018
Profit Before Tax	11,787.62	5,944.83
Income tax		
Statutory income tax on profit	2,515.48	1,268.63
Effect of exempt income, notional income and non-deductible expenses (net)	(345.97)	(374.26)
Tax expenses for current year	2,169.51	894.37
	18.40%	15.04%
Adjustment of tax of Prior years	-	(4,482.03)
Tax expenses recognised in the Statement of Profit & Loss	2,169.51	(3,587.66)
20. Current Borrowings		
Loans repayable on demand		
from banks	17,112.63	16,049.94
Other loans		
Term Loans from Scheduled Banks	67,167.55	95,378.30
Term loans from Financial Institutions	65,815.96	41,460.85
	1,50,096.14	1,52,889.09

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

I) Loans repayable on demand from Scheduled Bank :-

Punjab and Maharashtra Co-operative Bank Limited :-

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

II) Term Loans from Scheduled Banks :-

a) Central Bank of India :-

Secured by registered mortgage of immovable properties admeasuring 40,468.56 Sq. mtrs. situated at CTS No. 637A, Premier Road, Village Kurla, Mumbai. Rate of interest base rate + 5 % p.a. payable monthly.

b) The Jammu and Kashmir Bank :-

- i) Term loan - I - Interest rate is base rate + 3.50% p.a. payable monthly.
- ii) Term Loan - II - Secured by 1st Charge on the cash flows, receivables and project agreements/ project escrow account and project DSRA of the free sale area, and 1st charge by way of mortgage of development right. Interest rate is base rate + 3.00 % p.a. payable monthly.
- iii) Term Loan - III - Secured by 1st Charge on the cash flows, receivables, all current assets of the project and project agreements/ project escrow account and project DSRA of the free sale area and 1st charge by way of mortgage of development rights. Interest rate is base rate + 3.00 % p.a. payable monthly.

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

c) Allahabad Bank :-

- i) Secured by registered mortgage over the total construction area of 1,12,140.10 Sq. mtrs. which includes free sale area admeasuring approximately 67,732.72 Sq. mtrs. at CTS no. 551/27,552(pt), 552/1, 552/5 to 12 of Village Nahur, Mumbai together with the structure standing thereon and further secured by 45,342 Sq. mtrs. of immovable properties situated at Village Chandansar, Dist. Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. Rate of Interest base rate + 5% p.a. payable monthly.
- ii) Secured by exclusive charge on Escrow account as well as equitable mortgage of immovable properties admeasuring 54,970 Sq.mtrs at Village Maljipada, Dist. - Thane, comprising of various survey numbers. Rate of interest is base rate + 5% p.a. payable monthly.
- iii) Secured by exclusive charge on all projects assets of the Company at Mulund and Palghar. Rate of interest is base rate + 5% p.a. payable monthly.

d) Syndicate Bank :-

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

e) Yes Bank Limited:-

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

The Company has proposed One time settlement to all it's lender of its outstanding banking facilities and Company has received sanction for such proposal from some lenders. In accordance with such approval, payments will be made to banks and upon full & final payments , respective securities mortgaged will be released by the banks.

III) Term Loans from Financial Institution :-

a) IL & FS - PMDO:-

- i) Rate of interest is 13.50% p.a. payable monthly.
- ii) Rate of interest of the Funded interest term loan is 13.50% p.a. payable monthly.

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

The Company has proposed One time settlement to all it's lender of its outstanding banking facilities and Company has received sanction for such proposal from some lenders. In accordance with such approval, payments will be made to banks and upon full & final payments , respective securities mortgaged will be released by the banks.

b) Life Insurance Corporation of India :-

- i) Term loan is secured by registered mortgage of immovable properties situated at Village Doliv and Village Khardi admeasuring 2,88,940 Sq. mtrs. comprising of various survey numbers and further secured by mortgage of first to nine floors except 3rd, 4th and 6th floors of commercial building area admeasuring 18,194.54 Sq. mtrs. situated at HDIL Towers, Bandra (East), Mumbai. Rate of interest is 13% p.a. payable monthly.
- ii) Securities of the Term loan from Life Insurance Corporation of India are shared on pari-passu basis along with the security for Non Convertible Debentures issued to Life Insurance Corporation of India.

c) Yes Bank (Suraksha Asset Reconstruction Company Private Limited) :-

Yes bank has assigned its loan to Suraksha Asset Reconstruction Company Private Limited. The terms of the loan remains the same i.e. the loan is secured by exclusive charge on Projects Metropolis, Galaxy and Majestic Towers on development rights.

IV) All the above loans have been personally guaranteed by

- i) Executive Chairman of the Company
- ii) Vice Chairman and Managing Director of the Company

(₹ in Lacs)

Particulars	31 st March 2019	31 st March 2018
21. Trade payables (Current)		
Micro, Small and Medium Enterprises	-	-
Others	45,159.95	45,708.59
	45,159.95	45,708.59

Micro, Small and Medium Enterprises

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

The Company has send notices to all the vendors to provide the details as regards there Micro, Small and Medium Enterprise status. Till date no vendor has informed it’s status as Micro, Small and Medium Enterprise.

Particulars	31 st March 2019	31 st March 2018
22. Other financial liabilities (Current)		
Interest accrued -		
Due but not paid on loans	19,039.82	54,191.48
Not due on loans	143.54	331.68
Unpaid matured debentures and interest accrued thereon		-
Principal	25,765.42	17,501.78
Interest accrued	-	3,021.24
Security deposit received	2,506.28	2,783.18
Others		
Due to employees	1,538.32	1,300.80
Others	19,946.30	14,047.57
	68,939.68	93,177.73
23. Other current liabilities		
Revenue received in advance	1,52,036.10	1,47,085.65
Statutory dues	1,688.94	1,834.25
	1,53,725.04	1,48,919.90
24. Provisions (Current)		
Gratuity	284.90	252.86
Leave Encashment	86.28	108.08
	371.18	360.94
25. Current Tax Liabilities (Net)		
Provision for taxation	16,473.89	44,114.54
Less : Tax Paid	1,798.01	31,433.78
	14,675.88	12,680.76

(₹ in Lacs)

Particulars	Year ended 31 st March 2018	Year ended 31 st March 2017
26. Revenue From Operations		
Sale of Product		
Sale of commercial and residential units	4,555.27	16,541.27
Sale of development rights /FSI/Land /TDR	52,798.24	21,031.69
Other operating income		
Lease rental (Refer Note No. 26.1)	759.57	743.20
Others	263.22	458.91
	58,376.30	38,775.07
26.1 Assets given on lease :		
a) General description of leasing arrangement		
i) Leased assets : Leasing of commercial premises.		
ii) Future lease rentals are determined on the basis of agreed terms.		
iii) At the expiry of the lease term, the Company agrees to record the new terms and conditions of their agreement in relation to lease of the Premises.		
b) Total operating lease income credited to the Statement of Profit and Loss ₹ 759.57 Lacs (previous year ₹ 743.20 Lacs)		
Particulars	Year ended 31st March 2018	Year ended 31st March 2017
27. Other income		
Interest received	1,077.53	1,048.69
Dividend received (From Co-operative Bank)	5.25	5.25
Maintenance Income	661.34	407.16
Profit on sale of fixed assets	-	0.80
Miscellaneous income	0.01	0.10
	1,744.13	1,462.00
28. Cost of materials consumed		
Tenancy / claims / FSI / development rights/Land	-	22.21
Cost of material consumed	22,882.45	35,299.07
	22,882.45	35,321.28
29. Changes in inventories of finished goods and work-in-progress		
Opening finished goods	25,501.40	22,106.85
Opening work-in-progress	12,00,981.76	11,42,351.03
Adjustments during the year	(21,951.36)	27,679.29
	12,04,531.80	11,92,137.17
Closing finished goods	22,695.69	25,501.40
Closing work-in-progress	11,80,612.10	12,00,981.76
	12,03,307.79	12,26,483.16
	1,224.01	(34,345.99)
30. Employee benefits expense		
Salaries and incentives	1,988.07	2,657.01
Contributions to - Provident and other funds	199.51	373.16
Staff welfare expenses	42.86	51.67
	2,230.44	3,081.84

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

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

A Gratuity Plan :-

Defined Benefit Plan

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

		(₹ in Lacs)	
Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018	
i) Reconciliation of defined benefit obligation			
Obligation at beginning of period	543.30	540.33	
Current service cost	31.16	37.20	
Interest cost	41.26	39.15	
Actuarial loss/(gain) due to change in financial assumptions	-	(20.71)	
Actuarial loss/ (gain) due to experience adjustments	43.91	(78.47)	
Past service cost	-	111.86	
Benefits paid	(56.30)	(86.05)	
Obligation at period end	603.33	543.31	
ii) Reconciliation of plan assets			
Opening fair value of plan assets	68.52	147.30	
Interest Income	5.20	10.67	
Return on plan assets excluding amounts included in interest income	(2.09)	(3.40)	
Benefits paid	(56.30)	(86.05)	
Closing fair value of plan assets	15.33	68.52	
iii) Funded status of the plan			
Present value of funded obligations	603.32	543.30	
Fair value of plan assets	15.33	68.52	
Net asset / (liability) recognised in the Balance Sheet	(587.99)	(474.78)	
iv) Profit and loss account for current period			
Service cost:			-
Current service cost	31.16	37.20	
Past service cost and loss/(gain) on curtailments and settlement	-	111.86	
Net interest cost	36.06	28.47	
Total included in 'Employee Benefit Expense'	67.22	177.53	
Expenses deducted from the fund	-	-	
Total Charge to P&L	67.22	177.53	
v) Other Comprehensive Income for the current period			
Actuarial loss/(gain) due to change in financial assumptions	-	(20.71)	
Actuarial loss/ (gain) due to experience adjustments	43.91	(78.47)	
Return on plan assets excluding amounts included in interest income	2.09	3.40	
Amounts recognized in Other Comprehensive Income	46.00	(95.78)	
vi) The weighted average duration of the defined benefit obligation is 8 years (Previous year 21.62 years)			
Expected Cash flow based on past service liability			
Expected benefits for year 1	157.24	46.81	
Expected benefits for year 2 to year 5	136.55	141.80	
Expected benefits beyond year 5	1,075.56	1,296.14	

Particulars	(₹ in Lacs)	
	Year ended 31 st March 2019	Year ended 31 st March 2018
vii) Sensitivity Analysis		
Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
Discount rate varied by 0.5%		
+ 0.5%	580.01	515.61
- 0.5%	628.57	573.34
Salary growth rate varied by 0.5%		
+ 0.5%	622.35	566.44
- 0.5%	585.03	520.93
viii) Investment Details		
Policy of Insurance	100%	100%
B Leave encashment liability :-		
The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The following table set out the status of the leave encashment plan as required under IND AS - 19		
i) Reconciliation of defined benefit obligation		
Obligation at beginning of period	254.30	344.18
Current service cost	16.90	32.04
Interest cost	19.31	24.94
Actuarial loss/(gain) due to change in financial assumptions	-	(8.07)
Actuarial loss/ (gain) due to experience	(102.63)	(138.79)
Obligation at period end	187.88	254.30
ii) Funded status of the plan		
Present value of unfunded obligations	187.88	254.30
Fair value of plan assets	-	-
Net asset / (liability) recognised in the Balance Sheet	187.88	254.30
iii) Profit and loss account for current period		
Service cost:		
Current service cost	16.89	32.04
Net interest cost	19.31	24.94
Net Value of remeasurements on the obligation and plan assets	(102.62)	(146.86)
Total included in 'Employee Benefit Expense'	(66.42)	(89.88)
Total Charge to P&L	(66.42)	(89.88)
Actuarial loss / (Gain)		
Actuarial loss/(gain) due to change in financial assumptions	-	(8.07)
Actuarial loss/ (gain) due to experience adjustments	(102.63)	(138.79)
Net Actuarial Loss / (Gain)	(102.63)	(146.86)
iv) Expected Cash flow based on past service liability		
Expected benefits for year 1	25.60	26.71
Expected benefits for year 2 to year 5	60.68	81.37
Expected benefits beyond year 5	143.84	477.43

(₹ in Lacs)

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
v) Sensitivity Analysis		
Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
Discount rate varied by 0.5%		
+ 0.5%	180.48	243.44
- 0.5%	195.80	265.96
Salary growth rate varied by 0.5%		
+ 0.5%	195.81	265.97
- 0.5%	180.41	243.33
C Valuation Assumptions		
Considering the above stipulation in the case of gratuity and leave encashment, the following assumptions have been made.		
i) Discount Rate	7.60%	7.25%
ii) Salary Growth	7.00%	7.00%
iii) Expected rate of return : This assumption is required only in case of funded plans. The level of returns would depend on the nature of assets and the prevailing economic scenario		
iv) Mortality : Indian Assured Lives Mortality (2006-08)		
v) Withdrawals : 5% at younger ages reducing to 1% to older ages		
vi) Retirement age : 65 years for MD and Chairman, 60 years for Rest of employees		
vii) Leave Consumption : 2.50% at all ages (previous year 2.50%) Factors		
viii) Method of Valuation : Projected Unit Credit Method		
31. Finance costs		
Interest		
Project specific interest expenses	18,216.54	24,668.72
Other interest	970.13	2,117.63
	19,186.67	26,786.35
32. Other expenses		
Advertisement and sales promotion expenses	13.36	40.73
Commission and brokerage	33.90	5.18
Electricity charges	190.91	448.07
Insurance charges	-	2.71
Bank Charges	4.90	10.63
Other expenses	142.74	215.94
Loss on sale of fixed assets	0.60	0.56
Membership and subscription	2.46	10.37
Printing and stationery	28.21	41.35
Security charges	65.81	229.39
Professional fees	1,411.31	928.03
Rent paid (Refer Note 33.01)	-	28.08
Rates and taxes	36.04	36.97
Repairs and maintenance to buildings	0.38	1.65
Repairs and maintenance to other assets	17.13	1.97
Stamping and registration	77.07	413.47

Particulars	(₹ in Lacs)	
	Year ended 31 st March 2019	Year ended 31 st March 2018
Communication expenses	35.53	58.41
Postages and telegram expenses	9.39	11.91
Travelling and conveyance expenses	71.48	127.10
Remuneration to auditors	72.00	48.00
Directors remuneration, commission and sitting fees	46.00	109.69
Donations	10.00	1.25
Filing fees paid to the Registrar of Companies	0.59	0.08
Total	2,269.81	2,771.52
Above expenses includes Project related expenses	929.19	1,137.83
32.01 Assets taken on lease :		
i) General description of leasing arrangement		
(a) Leased assets : Residential and Commercial Premises		
(b) Future lease rentals are determined on the basis of agreed terms.		
(c) At the expiry of the lease term, the Company agrees to record the new terms and condition of their agreement in relation to lease of the Premises.		
ii) Total operating lease expenses debited to the statement of Profit and Loss ₹ Nil (previous year ₹ 28.08 Lacs)		
iii) Total minimum lease payments payable		
Not more than one year	-	5.72
Not less than one year and not more than five years	-	-
More than five years	-	-
32.02 Remuneration to Auditors		
i) Audit fees	72.00	48.00
ii) Taxation matters	-	-
	72.00	48.00
32.03 Managerial Remuneration		
i) Commission to Non Executive Directors	40.00	102.29
ii) Sitting fees	6.00	7.40
	46.00	109.69
33. Earnings Per Equity Share Has Been Computed As Under:		
(i) Net profit after tax as per Statement of Profit and Loss	9,572.12	9,628.30
(ii) Number of fully paid equity shares used in computing earnings per equity share		
Basic Nos.	45,40,03,986	43,40,03,986
Diluted Nos.	45,40,46,691	43,92,33,300
(iii) Basic Earnings per share	2.11	2.22
(iv) Diluted Earnings per share	2.11	2.19
(v) Nominal value per equity share is ₹ 10/- fully paid		

Particulars	(₹ in Lacs)	
	Year ended 31 st March 2019	Year ended 31 st March 2018
34. Contingent Liabilities Not Provided For		
i) (a) Claims against the Company not acknowledged as debts (represents suits filed by the parties in the Court and disputed by the Company)	35,188.40	35,188.40
(b) Income-tax demands disputed by the Company (net of amounts provided)	1,03,607.00	1,10,919.25
<p>The matters in dispute are under appeal. The demands have been paid / adjusted and will be received as refund if the matters are decided in favour of the Company</p> <p>In the opinion of the management the above claims are not sustainable / frivolous</p>		
ii) Guarantees provided by the bank	652.02	652.02
<p>Includes Bank Guarantee of ₹ 10.00 lacs (previous year ₹ 10.00 lacs) to Pollution Control Board, Lucknow on behalf of the HC Infracity Private Limited a subsidiary of the Company.</p>		
iii) Financial guarantee		
(a) The Company has provided an undertaking to pay in the event of default on loans given by Banks to following subsidiary Companies		
Guruashish Construction Private Limited	21,500.00	21,500.00
Privilege Power and Infrastructure Private Limited	75,600.00	75,600.00
(b) The Company has facilitated a vendor financing, setting up with IDBI Bank Limited upto ₹ 5,000.00 lacs. The Company has extended it's corporate guarantee to the IDBI bank.	5,000.00	5,000.00
35. CAPITAL COMMITMENT		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

36. RELATED PARTY DISCLOSURE

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Wholly owned subsidiary

Privilege Power and Infrastructure Private Limited
Blue Star Realtors Private Limited (Upto 12 April, 2018)
Guruashish Construction Private Limited
Mazda Estates Private Limited

Other subsidiary

BKC Developers Private Limited
Lashkaria Construction Private Limited

Enterprise significantly influenced by key management personnel

Privilege Airways Private Limited Privilege Industries Limited
Privilege Health Care Services Private Limited

Joint Venture

Fine Developers Heritage Housing Development Corporation

Key management personnel

Name

Shri Rakesh Kumar Wadhawan
Shri Sarang Wadhawan
Darshan Majmudar

Designation

Executive Chairman
Vice Chairman & Managing Director
Chief Financial Officer & Company Secretary

B. Transactions with related party

(₹ in Lacs)

Nature of transaction	31 st March, 2019					31 st March, 2018				
	Subsidiary	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total	Subsidiary	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total
Purchase of Land / FSI	-	-	-	-	-	22.21	-	-	-	22.21
Payment to Key managerial personnel	-	-	-	60.00	60.00	-	-	-	60.00	60.00
Expenses incurred	-	120.70	-	-	120.70	-	4,955.32	-	-	4,955.32
Net Payment Received/(paid)	109.84	-1,113.82	-	-	-1,003.98	-	972.32	-	-	972.32
Outstanding as at year end-Due from	5,558.62	-	101.58	-	5,660.19	5,668.46	-	101.58	-	5,770.04
Outstanding as at year end-Due to	-	4,934.52	112.29	24.58	5,071.39	-	5,927.64	112.29	6.81	6,046.75

C. Disclosure in respect of material transactions with related parties during the year (included in 'B' above)

Particulars	Percentage of Holding	31 st March, 2019	31 st March, 2018
Purchase of Land / FSI			
Privilege Power & Infrastructure Private Limited	100%	-	22.21
Total		-	22.21
Expenses			
HDIL Budget Home Private Limited		120.70	4,955.32
Total		120.70	4,955.32
Net Received /(Paid)			
Lashkaria Construction Private Limited		109.84	-
HDIL Budget Home Private Limited		-1,113.82	972.32
Total		-1,003.98	972.32
Salary paid			
Shri Darshan D. Majmudar		60.00	60.00
Total		60.00	60.00
Other subsidiary			
Lashkaria Construction Private Limited	69%	5,558.62	5,668.46
Total		5,558.62	5,668.46
Joint Ventures			
Fine Developers		1.58	1.58
Heritage Housing Development Corporation		100.00	100.00
Total		101.58	101.58
Trade payable, advances for projects			
HDIL Budget Home Limited		4,934.52	5,927.64
Privilege Airways Private Limited		112.29	112.29
Shri Darshan D. Majmudar		24.58	6.81
Total		5,071.39	6,046.75

37. FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (I) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)				
31st March, 2019	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised Cost	Total
Financial Assest				
Non Current				
Investments				
Investment in Equity instruments	-	56.90	-	56.90
Investment in Preference Shares	-	-	-	-
Other Non Current Financial Assets	-	-	846.12	846.12
Current				
Investments	-	-	101.58	101.58
Trade receivables	-	-	37,881.65	37,881.65
Cash and cash equivalents	-	-	523.22	523.22
Bank balances	-	-	12,009.17	12,009.17
Others	-	-	7,463.29	7,463.29
Financial Liabilites				
Non Current				
Borrowings	-	-	309.00	309.00
Other financial liabilities	72.85	-	240.39	313.24
Current				
Borrowings	-	-	1,50,096.14	1,50,096.14
Trade payables	-	-	45,159.95	45,159.95
Other financial liabilities	-	-	68,939.68	68,939.68

(₹ in Lacs)

31st March, 2018	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assets				
Non Current				
Investments				
Investment in Equity instruments	-	56.90	-	56.90
Investment in Preference Shares	-	-	28,087.04	28,087.04
Other Non Current Financial Assets	-	-	80.16	80.16
Current				
Investments	-	-	101.58	101.58
Trade receivables	-	-	38,243.66	38,243.66
Cash and cash equivalents	-	-	315.80	315.80
Bank balances	-	-	11,267.00	11,267.00
Others	-	-	7,892.66	7,892.66
Financial Liabilities				
Non Current				
Borrowings	-	-	17,714.95	17,714.95
Other financial liabilities	145.70	-	178.42	324.12
Current				
Borrowings	-	-	1,52,889.09	1,52,889.09
Trade payables	-	-	45,708.59	45,708.59
Other financial liabilities	-	-	93,177.75	93,177.75

Carrying amount of Investment, Trade Receivables, Cash and Cash Equivalent, Bank balances, Other financial Assets, Trade payables and Other financial liabilities as at 31st March, 2019 and 31st March, 2018 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Company has fair valued the transaction of financial guarantee (under Other Financial Liabilities) on the basis of internal comparable of a similar transaction with an unrelated party. The fair value so determined will therefore be classified under Level 2. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair valued measurements and the cost represents estimate of fair valued within that range.

C) Financial risk management

i) Risk management framework

- a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the risk management committee, which is responsible for developing and monitoring the risk management policies. The Company reports regularly to the Board of Directors on its activities.
- b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which the employees understand their roles and obligations.
- c) The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

• Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's Credit risk in this respect.

The Company's credit risk with regard to trade receivables has a high degree of risk diversification, due to the large number of projects of vary in sizes and types with numerous different customer categories in a large number of geographical markets.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does not have any significant concentration of credit risk.

The ageing of trade receivables is as follows:

(₹ in Lacs)

Particulars	Year Ended 31 st March 2019	Year Ended 31 st March 2018
Trade Receivables (Unsecured)		
Over six months	25,428.18	17,972.40
Less than six months	12,453.47	20,271.26
	37,881.65	38,243.65

The amounts reflected in the table above are not impaired as on the reporting date.

• Investment in Debt securities, Loans to Related Parties and Deposits

The Company has investments in non-convertible preference shares, loans to related parties and project deposits. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

• Cash and Bank Balances

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company’s approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company’s reputation.

Management monitors rolling forecasts of the Company’s liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2019

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	1,75,932.74	309.00	
Trade payables	45,159.95	-	-
Other financial liabilities	40,667.99	-	2,711.78

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2018

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	1,70,390.87	17,832.65	-
Trade payables	45,708.59	-	
Other financial liabilities	72,892.78	-	2,992.44

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company’s income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- **Currency risk**

Currency risk is not material, as the Company’s primary business activities are within India and does not have significant exposure in foreign currency.

- **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company’s interest rate position. Various variables are considered by the management in structuring the Company’s borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management is as follows :

(₹ in Lacs)

Particulars	Year Ended 31 st March 2019	Year Ended 31 st March 2018
Financial Assets		
Fixed rate instruments		
Bank Deposits		
- Current	12,009.17	11,267.00
- Non Current	807.95	807.95
Financial Liabilities		
Fixed rate instruments		
Borrowing - Non Convertible Debentures	25,765.42	17,501.78
Variable rate instruments		
Borrowing		
- From Schedule Bank	84,280.18	1,19,294.12
- From Financial institutions	66,124.96	51,309.92

Fair value sensitivity analysis for fixed rate instruments

Fixed rate financial assets / liabilities are carried out at amortised cost. Therefore they are not subject to interest rate risk since, neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposure outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	100 BP Increase	100 BP Decrease
31st March, 2019		
Financial Liabilities		
Variable rate instruments		
Borrowing	(825.05)	825.05
31st March, 2018		
Financial Liabilities		
Variable rate instruments		
Borrowing	(1,081.65)	1,081.65

38. Ind AS 115 Revenue From Contracts With Customers :

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

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

The company has been following Project Completion Method, i.e., recognition of revenue on basis/ possession given to customers on all projects outstanding as on 1 April 2018 and during the year 2018-19. Therefore, there is no significant impact of introduction of this standard on the company's financial statements.

39. Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

40. POST REPORTING EVENTS:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

41. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31st March, 2019 were approved by the Board of Directors on 30th May, 2019

42. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.
43. The Income Tax Department had passed an assessment order for the financial year 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16. The Company is in appeal before CIT appeal for the financial year 2018-09, 2009-10, 2010-11, 2012-13 and 2015-16. The Company is in appeal before ITAT (Mumbai) for the F.Y. 2010-11, 2011-12, 2013-14 and 2014-15.
44. The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates

Chartered Accountants,
Firm Registration Number: 123005W

CA. SVN Rajeswari

Proprietor
Membership No. 112940

Place : Mumbai
Date: 30th May, 2019

Rakesh Kumar Wadhawan

Executive Chairman
DIN : 00028573

Lalit Mohan Mehta

Director
DIN : 00458975

Darshan Majmudar

Chief Financial Officer and
Company Secretary

Sarang Wadhawan

Vice Chairman & Managing Director
DIN : 00028608

Hazari Lal

Director
DIN : 06696100

Raj Kumar Aggarwal

Director
DIN : 02034914

Sandhya Baliga

Director
DIN : 07015987

To the Members of
Housing Development and Infrastructure Limited

Report on the consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **Housing Development and Infrastructure Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Disclosure of revenue in view of adoption of Ind AS 115 "Revenue Recognition by Real Estate Entities"	The Revenue from the projects is to be recognized by applying Percentage of Completion Method as per the Guidance Note on

Sr. No.	Key Audit Matter	Auditor's Response
	The application of the new revenue accounting standard needs to determine revenue recognition on the basis of whether performance obligations are satisfied 'over time' or 'at a point of time'.	Accounting for Real Estate Transaction (Revised 2012) issued by the Institute of the Chartered Accountants of India. However, as per the Board's resolution passed by the Management of the Group companies, for all the ongoing projects as on the date of introduction of Guidance Note and also where Group companies has already commenced the recognition of the revenue from the projects before such enactment, the Group companies will follow completed project method of accounting ("Project Completion Method of Accounting"). Since none of the projects were commenced after the introduction of the Guidance Note on Accounting for Real Estate Transaction (Revised 2012) and after implementation of Ind AS 115, the Revenue is recognized as per Project Completion Method of Accounting which is in consistence with the Group company's accounting policy.
2	Evaluation of uncertain tax positions The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes	Principal Audit Procedures We had obtained details of completed tax assessments and demands pending till March 31, 2019 from the Management of all the Group companies. We had discussed the matters with the concerned professionals to whom the matters were assigned, to verify the Group companies management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes and also considered the legal precedence and other rulings in evaluating Group companies Management's position on these uncertain tax positions.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated Profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flow of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each entity 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 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 consolidated Ind AS 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibility

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statement of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Basis of Qualified Opinion

As per notes to accounts of the consolidated Ind AS financial statements, one of the wholly owned subsidiary company Guruashish Construction Private Limited, is admitted under Insolvency and Bankruptcy Code, 2016 initiated by lenders. The Company has submitted the resolution plan to National Company Law Tribunal ("NCLT") which was not accepted by NCLT due to termination of Development Agreement by MHADA with the Company upon which the Company has applied to National Company Law Appellate Tribunal ("NCLAT") for the same.

However, the NCLAT upheld the order passed by NCLT against which the Company has approached to the Supreme Court of India requesting to review the said order passed by NCLAT.

As a result thereof, the ability of the Company to continue as a going concern is dependent upon the Company's performance in terms

of the Resolution Plan to be reviewed by the Hon. Supreme Court of India.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described above, 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 including Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2019, and their consolidated profit and their consolidated changes in equity and consolidated cash flow for the year ended on that date.

Other Matters

- (a) We did not audit the Ind AS financial statements of one subsidiary of the Company Lashkaria Construction Private Limited whose Ind AS financial statements reflect total assets of Rs. 7014.01 lakhs as at 31st March, 2019, total revenue of 0.02 lakhs and net cash flows amounting to Rs. (1.91) lakhs for the year then ended, as considered in the consolidated Ind AS financial statements. This Ind AS financial statements/financial information has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.
- (b) Our opinion on the consolidated Ind AS financial statements is not modified in respect of the above matters with respect to our reliance on the reports of the other auditor and the Ind AS 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, based on our audit, 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 Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Group so far as it appears from our examination of those books and report of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Companies, none of the Directors of the Group companies, is disqualified as on 31st March, 2019 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 with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.

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

- i. The consolidated Ind AS financial statements disclose the impact of pending litigations as on 31.03.2019 on the consolidated financial position of the Group;
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable

losses, if any, on long term contracts including derivative contracts.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by the Holding Company and Subsidiary companies.

With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For **Rajeswari & Associates**,
 Chartered Accountants
 Firm Registration No: 123005W

SVN Rajeswari
 Proprietor
 Membership No.: 112940

Place : Mumbai
 Date : 30th May, 2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED.

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

We have audited the internal financial controls over financial reporting of **HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED ("the Company")** as of 31st March, 2019 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of directors of the Holding company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding company and its subsidiaries 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 Act.

Auditor's 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 Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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 to 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 subsidiaries have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2019, based on the internal control with reference to financial statements criteria established by the Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note issued on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Rajeswari & Associates,**
Chartered Accountants
Firm Registration No: 123005W

SVN Rajeswari
Proprietor
Membership No.: 112940

Place : Mumbai
Date : 30th May, 2019

CONSOLIDATED BALANCE SHEET AS AT

(₹ in Lacs)			
Particulars	Note No.	31 st March, 2019	31 st March, 2018
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	10,742.34	11,149.89
Investment Property	3	10,500.89	10,639.13
Other Intangible assets	2	2.90	9.72
Financial Assets			
Investments	4	1,626.75	1,651.75
Others	5	846.12	848.11
Other non-current assets	6	10,062.75	13,117.54
Current assets			
Inventories	7	14,57,673.20	15,31,678.89
Financial Assets			
Investments	8	864.36	894.85
Trade receivables	9	42,423.30	42,785.88
Cash and cash equivalents	10	956.98	373.97
Bank balances other than above	11	12,011.75	11,269.58
Other	12	18,943.46	20,408.74
Other current assets	13	2,46,800.12	2,07,076.36
Total Assets		18,13,454.92	18,51,904.41
EQUITY AND LIABILITIES			
Equity Share capital	14	45,400.40	43,400.40
Other Equity	15	11,43,688.06	11,18,063.19
Minority interest		443.32	444.16
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	16	49,547.48	73,947.35
Other financial liabilities	17	167.54	178.42
Provisions	18	404.70	371.52
Deferred tax liabilities (Net)	19	2,907.66	2,981.56
Current liabilities			
Financial Liabilities			
Borrowings	20	1,50,142.04	1,52,909.09
Trade payables	21	48,896.84	50,397.64
Other financial liabilities	22	97,004.62	1,15,151.30
Other current liabilities	23	2,59,699.27	2,81,006.70
Provisions	24	383.74	371.70
Current Tax Liabilities (Net)	25	14,769.25	12,681.38
Total Equity and Liabilities		18,13,454.92	18,51,904.41
Accounting Policies	1		
(The accompanying notes form an integral part of the financial statements.)			

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates
Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

Sarang Wadhawan
Vice Chairman & Managing Director
DIN : 00028608

Raj Kumar Aggarwal
Director
DIN : 02034914

CA. SVN Rajeswari
Proprietor
Membership No. 112940

Lalit Mohan Mehta
Director
DIN : 00458975

Hazari Lal
Director
DIN : 06696100

Sandhya Baliga
Director
DIN : 07015987

Place : Mumbai
Date: 30th May, 2019

Darshan Majmudar
Chief Financial Officer and
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(₹ in Lacs)			
Particulars	Note No.	31 st March, 2019	31 st March, 2018
Revenue From Operations	26	71,834.04	38,775.07
Other Income	27	1,747.11	1,385.86
Total Income		73,581.15	40,160.93
EXPENSES			
Cost of materials consumed	28	22,061.88	42,308.51
Changes in inventories of finished goods and work-in-progress	29	5,210.77	(49,929.17)
Employee benefits expense	30	2,293.76	3,160.21
Finance costs	31	28,062.70	34,917.94
Depreciation and amortization expense	2,3	541.00	683.24
Other expenses	32	2,363.33	2,976.56
Total expenses		60,533.44	34,117.29
Profit/(loss) before exceptional items and tax		13,047.71	6,043.64
Exceptional Items		-	-
Profit/(loss) before tax		13,047.71	6,043.64
Tax expense:			
Current tax		2,494.50	1,195.15
Deferred tax		(74.51)	(233.92)
Income tax on earlier years		-	(4,484.33)
		2,419.99	(3,523.10)
Profit/(loss) for the year		10,627.72	9,566.74
(before minority interest, share of profit/(loss) in associates and jointly controlled entities)			
Minority interest - share of (loss)/profit		(0.87)	(3.05)
Net profit after tax, minority interest and share of profit/(loss) of associates and jointly controlled entities		10,628.59	9,569.79
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(49.07)	99.70
Items that will be reclassified to profit or loss		-	-
		(49.07)	99.70
Total Comprehensive Income for the year (Comprising Profit (Loss) and Other Comprehensive Income for the year)		10,579.52	9,669.49
Earnings per equity share (for continuing operation):			
Basic		2.33	2.23
Diluted		2.33	2.22
Accounting Policies	1		
(The accompanying notes form an integral part of the financial statements.)			

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates
Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

Sarang Wadhawan
Vice Chairman & Managing Director
DIN : 00028608

Raj Kumar Aggarwal
Director
DIN : 02034914

CA. SVN Rajeswari
Proprietor
Membership No. 112940

Lalit Mohan Mehta
Director
DIN : 00458975

Hazari Lal
Director
DIN : 06696100

Sandhya Baliga
Director
DIN : 07015987

Place : Mumbai
Date: 30th May, 2019

Darshan Majmudar
Chief Financial Officer and
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

A. Share Capital

Particulars	31 st March, 2019	31 st March, 2018
Balance at the beginning of the year	43,400.40	43,400.40
Change in Equity share capital during the year	2,000.00	-
Balance at the end of the year	45,400.40	43,400.40

B. Other Equity

Particulars	Reserves & Surplus						Money received against share warrants	Total Equity
	Capital Reserve	Capital redemption reserve	Securities Premium Reserve	Debenture Redemption Reserve	General Reserves	Retained Earnings		
As at 1st April, 2017	6.00	62.07	5,04,616.65	22,489.52	5,66,767.31	10,258.39	-	11,04,199.94
Profit for the year	-	-	-	-	-	9,569.78	4,200.00	13,769.78
Other Comprehensive Income for the year	-	-	-	-	-	99.70	-	99.70
Total Comprehensive Income for the year	-	-	-	-	-	9,669.48	-	9,669.48
Less : Loss of minority adjust against majority interest	-	-	-	-	-	(0.01)	-	(0.01)
Delink of Subsidiary	-	-	-	-	-	(6.22)	-	(6.22)
As at 31st March, 2018	6.00	62.07	5,04,616.65	22,489.52	5,66,767.31	19,921.64	4,200.00	11,18,063.19
Addition due to issue during the period	-	-	12,100.00	-	-	-	16,120.00	28,220.00
Profit for the year	-	-	-	-	-	10,628.60	-	10,628.60
Other Comprehensive Income for the year	-	-	-	-	-	(49.07)	-	(49.07)
Total Comprehensive Income for the year	-	-	-	-	-	10,579.53	-	10,579.53
Less : Loss of minority adjust against majority interest	-	-	-	-	-	(0.01)	-	(0.01)
Delink of Subsidiary	(6.00)	(62.07)	-	-	-	993.42	-	925.35
Transfer to retained earnings	-	-	-	(4,987.74)	4,987.74	-	-	-
Transfer to Share Capital	-	-	-	-	-	-	(14,100.00)	(14,100.00)
As at 31st March, 2019	-	-	5,16,716.65	17,501.78	5,71,755.05	31,494.58	6,220.00	11,43,688.06

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates
Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

Sarang Wadhawan
Vice Chairman & Managing Director
DIN : 00028608

Raj Kumar Aggarwal
Director
DIN : 02034914

CA. SVN Rajeswari
Proprietor
Membership No. 112940

Lalit Mohan Mehta
Director
DIN : 00458975

Hazari Lal
Director
DIN : 06696100

Sandhya Baliga
Director
DIN : 07015987

Place : Mumbai
Date: 30th May, 2019

Darshan Majmudar
Chief Financial Officer and
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED

(₹ in Lacs)				
Particulars	31 st March, 2019		31 st March, 2018	
A Cash flow from operating activities				
Net profit before tax		13,047.72		6,043.64
Adjustments for :				
Depreciation and amortisation expense	541.00		683.24	
Interest expenses	28,062.70		34,917.94	
Interest received	(1,077.67)		(967.05)	
Dividend received	(8.02)		(10.75)	
Remeasurements of the defined benefit plans (Expenses)/ Income	(49.07)		99.70	
Loss on sale of fixed assets	0.60		0.56	
Profit on sale of fixed assets	-	27,469.54	(0.80)	34,722.84
Operating profit before working capital changes		40,517.26		40,766.48
Movements in working capital :				
Decrease / (Increase) in inventory	74,005.69		(77,450.65)	
Decrease / (Increase) in trade receivable	362.58		(12,119.43)	
Decrease / (Increase) in other receivables	(35,209.40)		34,914.74	
(Decrease) / Increase in non financial liabilities	(21,208.44)		39,260.54	
(Decrease) / Increase in financial liabilities	(19,635.56)		17,491.62	
Net movement in working capital		(1,685.13)		2,096.82
Cash generated from operations		38,832.13		42,863.30
Less : Direct taxes paid (net of refunds)		294.66		325.87
Net cash from operating activities		38,537.47		42,537.43
B Cash flows from investing activities				
(Increase) / Decrease in other investments	-		-	
Interest received	1,077.67		967.05	
Dividend received	8.02		10.75	
Sale / (Purchase) of fixed assets	(4.56)		1.13	
Proceeds from sale of investment	55.50		780.00	
Proceeds from sale of fixed asset	15.60		5.00	
Net cash from investing activities		1,152.23		1,763.93
C Cash flows from financing activities				
Proceeds from borrowings	-		56,819.36	
Repayment of borrowings	(28,289.76)		(71,587.53)	
Proceeds from share warrants	16,120.00		4,200.00	
Increase in share capital including share premium	-		-	
Interest paid	(28,062.70)		(34,917.94)	
Net cash used in financing activities		(40,232.46)		(45,486.11)
Net increase in cash and cash equivalents (A + B + C)		(542.76)		(1,184.75)
Cash and cash equivalents at the beginning of the year		2,401.56		3,588.12
Less : Delink of subsidiary		2.71		1.81
Cash and cash equivalents at the end of the year		1,856.09		2,401.56
Components of cash and cash equivalents as at				
Cash on hand		94.89		129.57
With banks - on current account		840.46		101.42
- on Escrow account		21.62		142.98
- on deposit account *		12,011.75		12,077.53
- in Overdraft with Bank		(11,112.63)		(10,049.94)
Total		1,856.09		2,401.56

Note : Figures in the brackets indicate outflow.

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates
Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan
Executive Chairman
DIN : 00028573

Sarang Wadhawan
Vice Chairman & Managing Director
DIN : 00028608

Raj Kumar Aggarwal
Director
DIN : 02034914

CA. SVN Rajeswari
Proprietor
Membership No. 112940

Lalit Mohan Mehta
Director
DIN : 00458975

Hazari Lal
Director
DIN : 06696100

Sandhya Baliga
Director
DIN : 07015987

Place : Mumbai
Date: 30th May, 2019

Darshan Majmudar
Chief Financial Officer and
Company Secretary

1. Corporate Information

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

The accompanying consolidated financial statements include the accounts of Housing Development And Infrastructure Limited(HDIL) and its subsidiaries collectively referred to as "the Group". All the subsidiaries have been incorporated in India. The details of the subsidiaries are as follows:

Name of the Subsidiaries	
Privilege Power and Infrastructure Private Limited	100%
Mazda Estates Private Limited	100%
Guruashish Construction Private Limited	100%
BKC Developers Private Limited	99%
Lashkaria Construction Private Limited	69%

1.1. Significant accounting policies

a) Basis of preparation

i) Statement of compliance with Ind AS

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

b) Revenue recognition

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

i) Sale: -

- Unit in real estate: -

1) Revenue from Contracts with Customers:-

"Pursuant to the application of Ind AS 115 - 'Revenue from Contracts with Customers' effective from 1 April 2018, the Company has applied following accounting policy for revenue recognition:

Revenue is measured at the fair value of the consideration received/ receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company is acting as a principal in all of its revenue arrangements.

Revenue is recognized in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognize revenue in the standalone financial statements. The Company satisfies a performance obligation and recognizes revenue over time, if any one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue is recognized either at point of time or over a period of time based on various conditions as included in the contracts with customers.

Point of Time:

Revenue from real-estate projects

Revenue is recognized at a Point in Time w.r.t. sale of real estate units, including land, plots, apartments, commercial units, development rights as and when the control passes on to the customer which coincides with handing over of the possession to the customer.

Over a period of time:

The income in the nature of rent, interest, dividend, share of profit from Joint Ventures and profit on sale of on investment is accounted for on an accrual basis over the period of time, except in cases where ultimate collection is not reasonably ascertained.

2) Contract balances:

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognized when there is billing in excess of revenue and advance received from customers.

3) Changes in accounting policies and disclosures

New and amended standards

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

Several other amendments and interpretations apply for the first time in March 2019, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

a. Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgment, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The company has been following Project Completion Method, i.e., recognition of revenue on basis/ possession given to customers on all projects outstanding as on 1 April 2018 and during the year 2018-19. Therefore, there is no significant impact of introduction of this standard on the company's financial statements.

b. Amendment to Ind AS 38 Intangible assets acquired free of charge

The amendment clarifies that in some cases, an intangible asset may be acquired free of charge, or for nominal consideration, by way of a government grant. The amendment also clarifies that revaluation model can be applied for asset which is received as government grant and measured at nominal value. These amendments do not have any impact on the Company's standalone financial statements.

c. Amendments to Ind AS 40 Transfers of Investment Property

The amendments clarify when an entity can transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. Since Company's current practice is in line with the clarifications issued, there is no material effect standalone financial statements.

ii) Rent: -

Revenue is recognised on accrual basis.

iii) Interest: -

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

iv) Dividends: -

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

v) Share of profit from joint ventures:-

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

vi) Profit on sale of investment: -

It is recognised on its liquidation / redemption.

c) Operating lease

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

d) Transactions in foreign currencies

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

- i) Foreign currency transactions are accounted at the exchange rate prevailing on the date of such transactions.
- ii) Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Exchange differences arising on settlement of monetary items or on reporting such monetary items at rates different from those at which they were initially recorded during the period, or reported in previous financial statements are recognised as income or as expenses in the period in which they arise.
- iii) Non-monetary foreign currency items are carried at historical cost are translated at the exchange rate prevalent at the date of the transaction.

e) Retirement and other employee benefits

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

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

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

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

- ii) The Group recognises service costs comprising current service costs, past-service costs, remeasurement of other long term employee benefits, gains and losses on curtailments and non-routine settlements and net interest expense or income as an expense in the statement of profit and loss.
- iii) The Group's contributions paid / payable towards the defined contribution plan is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
- iv) Short-term employee benefits are expensed as the undiscounted amount in the Statement of Profit and Loss in the year the employee renders service.

f) Income taxes

Tax expense comprises of current and deferred tax.

i) Current Tax

Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income or directly in equity. Current tax for current and prior periods is recognized at the

amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

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

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

iii) Minimum Alternate Tax (MAT)

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

g) Property, plant and equipments and intangible assets

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

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

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

iv) Investment property

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

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

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

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

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

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

i) Borrowing costs

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

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

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

belongs.

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

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

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

k) Inventories

Inventories are valued as follows:

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

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

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

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

l) Financial instruments

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

i) Initial Recognition

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

ii) Subsequent Measurement - Financial Assets

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

- **Debt Instrument**

- **Amortised Cost**

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

- **Fair value through other comprehensive income (FVTOCI)**

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

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

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

Fair value through Profit and Loss (FVTPL)

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

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

- **Equity investments**

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

- **Investment in subsidiaries**

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

- **Derecognition of financial assets**

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

- **Impairment of financial assets**

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

iii) Subsequent Measurement - Financial Liabilities

- **Financial liabilities measured at amortised cost**

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

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

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

- **Derecognition of financial liabilities**

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

- **Offsetting of financial instruments**

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

- **Determination of fair value**

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

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

Reclassification of financial assets and Liabilities

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

m) Provisions, contingent liabilities and contingent assets

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

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

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

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

n) Earnings per share

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

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

o) Cash and cash equivalent

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

p) Segment reporting policies

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in Lacs)

	Gross Block				Depreciation / Amortisation				Net Block	
	As at 1 st April, 2018	Addition/ (Adjustments)	Deduction/ (Adjustments)	As at 31 st March, 2019	As at 1 st April, 2018	For the year	Deduction/ (Adjustments)	As at 31 st March, 2019	As at 31 st March, 2019	As at 31 st Mar, 2018
2. Property, Plant and Equipment and Intangible assets										
Freehold Land and Buildings	11,592.54	-	-	11,592.54	1,148.33	213.86	-	1,362.19	10,230.35	10,444.21
Plant and Machinery	669.54	-	-	669.54	285.33	64.02	-	349.35	320.19	384.21
Furniture and Fixtures	322.44	-	-	322.44	215.97	54.93	-	270.90	51.54	106.47
Vehicles	548.26	-	(177.37)	370.89	356.57	48.12	(161.27)	243.42	127.47	191.69
Office Equipments	114.55	0.21	-	114.76	96.95	10.62	-	107.57	7.19	17.60
Computers	38.91	4.35	-	43.26	33.21	4.45	-	37.66	5.60	5.71
Property, Plant and Equipment (A)	13,286.24	4.56	(177.37)	13,113.43	2,136.36	396.00	(161.27)	2,371.09	10,742.34	11,149.89
Intangible assets (B)	29.73	-	-	29.73	20.02	6.77	0.04	26.83	2.90	9.72
Grand Total (A+ B)	13,315.97	4.56	(177.37)	13,143.16	2,156.38	402.77	(161.23)	2,397.92	10,745.24	11,159.61
Previous year	13,362.41	-	(46.44)	13,315.97	1,706.09	490.82	(40.55)	2,156.36	11,159.61	11,656.32
3. Investment Property										
Lease out property	11,311.06	-	-	11,311.06	671.94	138.23	-	810.17	10,500.89	10,639.13
	11,311.06	-	-	11,311.06	671.94	138.23	-	810.17	10,500.89	10,639.13
Previous year	11,311.06	-	-	11,311.06	482.38	189.55	-	671.93	10,639.13	10,828.68
Fair Market Value										81,174.07

Note :

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

Information regarding Income and expenditure of Investment Property

Particulars	31 st March, 2019	31 st March, 2018
Rental income derived from Investment Properties	759.57	743.20
Less : Depreciation	(138.03)	(189.33)
Profit arising from investment properties before indirect expenses	621.54	553.87

Particulars	(₹ in Lacs)	
	31 st March 2019	31 st March 2018
4. Investments (Non Current)		
Investments in Equity Instruments		
Other than trade (Unquoted Shares)		
Punjab and Maharashtra Co-op. Bank Limited	72.50	97.50
1,90,000 (previous year 1,90,000) Equity Shares of ₹ 25/- each fully paidup		
Dreams The Mall Company Limited	9.40	9.40
93,957 (previous year 93,957) Equity Shares of ₹ 10/- each fully paidup		
Privilege Hi Tech Infrastructure Limited	0.85	0.85
8,500 (Previous year 8,500) Equity shares of ₹ 10/- each fully paidup		
	82.75	107.75
Lashkaria Housing and Infrastructure Private Limited	1,544.00	1,544.00
15,440 (previous year 15,440) 10% Redeemable Non Cumulative Preference shares of ₹ 10/- each fully paid		
	1,544.00	1,544.00
	1,626.75	1,651.75
5. Others (Non Current)		
Security Deposits	38.17	40.16
Bank deposits with more than 12 months maturity	807.95	807.95
	846.12	848.11
6. Other non-current assets		
Deferred Expenditure - Loan	66.64	-
Advances other than capital advances	6,905.37	10,010.48
Security Deposits - Prepaid Expenses	11.91	11.91
Advances to related parties	23.82	23.82
Income tax refund receivable	141.62	141.61
Income tax paid	2,913.39	2,929.72
	10,062.75	13,117.54
7. Inventories:		
Work-in-progress	14,34,906.13	15,06,106.11
Finished goods	22,767.07	25,572.78
	14,57,673.20	15,31,678.89
8. Current Investments		
Investments in partnership firms		
M/s Fine Developers (Fixed Capital ₹ Nil)	1.58	1.58
(Share of profit-90%, other partner and share of profit is Sapphire Land Development Private Limited - 10%.)		
Heritage Housing Development Corporation (Fixed Capital ₹ Nil)	100.00	100.00
(Share of profit-60%, other partner and share of profit is Pioneer India Developers Private Limited - 40%.)		
Lashkaria Housing and Infrastructure Private Limited	762.78	793.27
(Share of profit- 10%)		
	864.36	894.85

		(₹ in Lacs)	
Particulars	31 st March 2019	31 st March 2018	
9. Trade receivables			
Unsecured considered good	42,423.30	42,785.88	
	42,423.30	42,785.88	
10. Cash and cash equivalents			
Balances with Banks (of the nature of cash and cash equivalents);			
Current accounts	840.46	101.42	
Current Account balances in Escrow Account	21.63	142.98	
Cash on hand	94.89	129.57	
	956.98	373.97	
11. Bank balances			
In Fixed Deposit with less than a year*	12,011.75	11,269.58	
	12,011.75	11,269.58	
* includes fixed deposits of ₹ 1,890.82 lacs (previous year ₹ 1,856.47 lacs) pledged with bank as security for bank guarantees, and ₹ 10,891.30 lacs (previous year ₹ 9,373.28 lacs) pledged with bank as security for bank overdraft.			
12. Others			
Security Deposits	1,058.91	1,533.59	
Other advances			
Advance to suppliers	16,363.26	17,526.80	
Advances for land purchase /tenancy / claims / development rights	582.44	564.22	
Loans to employees	92.34	93.25	
Interest accrued on fixed deposits	846.51	690.88	
	18,943.46	20,408.74	
13. Others Current Assets			
Advance to suppliers	13,394.13	13,739.37	
Advances for land purchase / tenancy / claims / development rights	2,32,722.28	1,91,995.88	
Cenvat Credit	562.54	697.66	
Input Tax Credit	33.91	573.94	
Deferred Rent income (Straight line)	84.02	61.62	
Prepaid expenses	3.24	7.89	
	2,46,800.12	2,07,076.36	
14. Share Capital			
Authorised			
1,00,00,00,000 (previous year 1,00,00,00,000) Equity Share of ₹ 10/- each	1,00,000.00	1,00,000.00	
Issued, Subscribed and Paid up			
45,40,03,986 (previous year 41,90,03,986) Equity Shares of ₹ 10/- each fully paid-up	45,400.40	43,400.40	
	45,400.40	43,400.40	

Terms / rights attached to shares :

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

(i) Reconciliation of the number of shares outstanding :

Particulars	Number	Number
Shares outstanding at the beginning of the year	43,40,03,986	43,40,03,986
Shares Issued during the year	2,00,00,000	
Shares bought back during the year	-	
Shares outstanding at the end of the year	45,40,03,986	43,40,03,986

Particulars		31st March, 2019	31st March, 2018
Sarang Kumar Wadhawan	Number	3,91,59,115	-
	%	8.63%	
Privilege Distilleries Private Limited	Number	2,49,47,891	2,48,22,086
	%	5.50%	5.72%
Dinshaw Trapinex Builders Private Limited	Number	2,86,48,434	2,85,22,629
	%	6.31%	6.57%
Dheeraj Consultancy Private Limited	Number	2,86,48,436	2,85,22,630
	%	6.31%	6.57%
Interactive Multimedia Technologies Private Limited	Number	3,01,53,106	3,00,27,300
	%	6.64%	6.92%
Orbis SICAV - Asia Ex- Japan Equity Fund	Number	2,67,88,612	3,92,75,550
	%	5.90%	9.05%

Particulars	31st March 2019	31st March, 2018
15. Other Equity		
Capital Reserve	-	6.00
Capital redemption reserve	-	62.07
Securities Premium Reserve	5,16,716.65	5,04,616.65
Debenture Redemption Reserve	17,501.78	22,489.52
General Reserves	5,71,755.05	5,66,767.31
Money received against Share Warrant *	6,220.00	4,200.00
Retained Earnings	31,494.58	19,921.64
	11,43,688.06	11,18,063.19

Particulars	31st March 2019	31st March 2018
16. Non Current Borrowings		
Secured Long Term Borrowings :		
from banks	48,903.06	63,762.85
from financial institutions	644.42	10,184.50
	49,547.48	73,947.35

Particulars	31st March 2019	31st March, 2018
17. Other financial liabilities (Non current)		
Security deposit - Prepaid Advance	167.54	178.42
	167.54	178.42

Particulars	31 st March 2019	31 st March 2018
18. Provisions (Non current)		
Provision for employee benefits		
Gratuity	101.60	221.98
Leave Encashment	303.10	149.54
	404.70	371.52

Particulars	31 st March 2019	31 st March 2018
19. Deferred tax liabilities (Net)		
Liabilities		
Related to fixed assets	3,132.40	3,181.76
Others	53.72	62.06
Assets		
Provision for gratuity	203.51	164.32
Provision for encashment of leave	65.02	88.01
Unabsorbed depreciation	8.85	8.61
Others	1.08	1.32
	2,907.66	2,981.56

Particulars	31 st March 2019	31 st March 2018
20. Current Borrowings		
Loans repayable on demand		
from banks	17,112.63	16,049.94
Loans from related parties	45.90	20.00
Other loans		
Term Loans from Scheduled Banks	67,167.55	95,378.30
Term loans from Financial Institutions	65,815.96	41,460.85
	1,50,142.04	1,52,909.09

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

I) Loans repayable on demand from Scheduled Bank :-

Punjab and Maharashtra Co-operative Bank Limited :-

Secured by pledge of fixed deposit receipts with the bank, current rate of interest 14% (Previous year 14%)

Yes Bank :-

Secured by receipts of Project Exotica through current account for 15 days from the date of sanction of Overdraft.

II) Loans from Scheduled Banks :-

a) Central Bank of India :-

Secured by registered mortgage of immovable properties admeasuring 40,468.56 Sq. mtrs. situated at CTS No. 637A, Premier Road, Village Kurla, Mumbai. Rate of interest base rate + 5 % p.a. payable monthly.

b) The Jammu and Kashmir Bank :-

i) Term loan - I - Interest rate is base rate +3.50% p.a. payable monthly.

ii) Term Loan - II - Secured by 1st Charge on the cash flows, receivables and project agreements/ project escrow account and project DSRA of the free sale area, and 1st charge by way of mortgage of development right. Interest rate is base rate + 3.00 % p.a. payable monthly.

- iii) Term Loan - III - Secured by 1st Charge on the cash flows, receivables, all current assets of the project and project agreements / project escrow account and project DSRA of the free sale area and 1st charge by way of mortgage of development rights. Interest rate is base rate + 3.00 % p.a. payable monthly.

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

c) Allahabad Bank :-

- i) Secured by registered mortgage over the total construction area of 1,12,140.10 Sq. mtrs. which includes free sale area admeasuring approximately 67,732.72 Sq. mtrs. at CTS no. 551/27,552(pt), 552/1, 552/5 to 12 of Village Nahur, Mumbai together with the structure standing thereon and further secured by 45,342 Sq. mtrs. of immovable properties situated at Village Chandansar, Dist. Thane, comprising of various survey numbers, owned by Privilege Power and Infrastructure Private Limited, a wholly owned subsidiary of the Company. Rate of Interest base rate + 5% p.a. payable monthly.
- ii) Secured by exclusive charge on Escrow account as well as equitable mortgage of immovable properties admeasuring 54,970 Sq.mtrs at Village Maljipada, Dist. - Thane, comprising of various survey numbers. Rate of interest is base rate + 5% p.a. payable monthly.
- iii) Secured by exclusive charge on all projects assets of the Company at Mulund and Palghar. Rate of interest is base rate + 5% p.a. payable monthly.

d) Syndicate Bank :-

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

e) Yes Bank Limited:-

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

The Company has proposed One time settlement to all it's lender of its outstanding banking facilities and Company has received sanction for such proposal from some lenders. In accordance with such approval, payments will be made to banks and upon full & final payments, respective securities mortgaged will be released by the banks.

III) Term Loans from Financial Institution :-

a) IL & FS - PMDO:-

- i) Rate of interest is 13.50% p.a. payable monthly.
- ii) Rate of interest of the Funded interest term loan is 13.50% p.a. payable monthly.

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

The Company has proposed One time settlement to all it's lender of its outstanding banking facilities and Company has received sanction for such proposal from some lenders. In accordance with such approval, payments will be made to banks and upon full & final payments , respective securities mortgaged will be released by the banks.

b) Life Insurance Corporation of India :-

- i) Term loan is secured by registered mortgage of immovable properties situated at Village Doliv and Village Khardi admeasuring 2,88,940 Sq. mtrs. comprising of various survey numbers and further secured by mortgage of first to nine floors except 3rd, 4th and 6th floors of commercial building area admeasuring 18,194.54 Sq. mtrs. situated at HDIL Towers, Bandra (East), Mumbai. Rate of interest is 13% p.a. payable monthly.
- ii) Securities of the Term loan from Life Insurance Corporation of India are shared on pari-passu basis along with the security for Non Convertible Debentures issued to Life Insurance Corporation of India. (Also refer to Note No. : 4 (I)(b)).

c) Suraksha Asset Reconstruction Company Private Limited :-

Yes bank has assigned its loan to Suraksha Asset Reconstruction Company Private Limited. The terms of the loan remains the same i.e. the loan is secured by exclusive charge on Projects Metropolis, Galaxy and Majestic Towers on development rights.

IV) All the above loans have been personally guaranteed by

- i) Executive Chairman of the Company
- ii) Vice Chairman and Managing Director of the Company

(₹ in Lacs)

Particulars	31 st March 2019	31 st March 2018
21. Trade payables (Current)		
Micro, Small and Medium Enterprises	-	-
Others	48,896.84	50,397.64
	48,896.84	50,397.64
Micro, Small and Medium Enterprises		
Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under said act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts/ interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.		
The Company has send notices to all the vendors to provide the details as regards there Micro, Small and Medium Enterprise status. Till date no vendor has informed it’s status as Micro, Small and Medium Enterprise.		

Particulars	31 st March 2019	31 st March 2018
22. Other financial liabilities (Current)		
Interest accrued -		
Due but not paid on loans	47,104.75	76,165.05
Not due on loans	143.54	331.68
Unpaid matured debentures and interest accrued thereon		
Principal	25,765.42	17,501.78
Interest accrued due but not paid on loans	-	3,021.24
Security deposit		
Security deposit received	2,506.28	2,783.18
Others		
Due to employees	1,538.32	1,300.80
Others	19,946.31	14,047.57
	97,004.62	1,15,151.30

Particulars	31 st March 2019	31 st March 2018
23. Other current liabilities		
Revenue received in advance	2,39,390.48	2,40,161.80
Others		
Statutory dues	2,103.00	3,053.01
Others	18,205.79	37,791.89
	2,59,699.27	2,81,006.70

Particulars	31 st March 2019	31 st March 2018
24. Provisions (Current)		
Provision for employee benefits		
Gratuity	292.32	261.39
Leave Encashment	91.42	110.31
	383.74	371.70

(₹ in Lacs)

Particulars	31 st March 2019	31 st March 2018
25. Current Tax Liabilities (Net)		
Provision for taxation	16,786.05	44,180.06
Less : Tax Paid	2,016.80	31,498.68
	14,769.25	12,681.38

Particulars	31 st March 2019	31 st March 2018
26. Revenue From Operations		
Sale of Product		
Sale of commercial and residential units	4,555.49	16,550.41
Sale of development rights /FSI/Land /TDR	66,255.76	21,022.55
Other operating income		
Lease rental (Refer Note No. 19.1)	759.57	743.20
Others	263.22	458.91
	71,834.04	38,775.07

Particulars	31 st March 2019	31 st March 2018
27. Other income		
Interest received	1,077.67	967.05
Dividend received (From Co-operative Bank)	8.02	10.75
Maintenance Income	661.35	407.16
Income from sale of fixed assets	-	0.80
Miscellaneous income	0.07	0.10
	1,747.11	1,385.86

Particulars	31 st March 2019	31 st March 2018
28. Cost of materials consumed		
Tenancy / claims / FSI / development rights/Land	-	-
Cost of material consumed	22,061.88	42,308.51
	22,061.88	42,308.51

Particulars	31 st March 2019	31 st March 2018
29. Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		
Opening finished goods	25,572.78	22,180.17
Opening work-in-progress	15,06,106.11	14,32,063.64
Adjustments	(68,794.92)	27,505.91
Subtotal	14,62,883.97	14,81,749.72
Closing finished goods	22,767.07	25,572.78
Closing work-in-progress	14,34,906.13	15,06,106.11
Subtotal	14,57,673.20	15,31,678.89
	5,210.77	(49,929.17)

(₹ in Lacs)

Particulars	31 st March 2019	31 st March 2018
30. Employee benefits expense		
Salaries and incentives	2,047.60	2,726.81
Contributions to - Provident and other funds	200.78	381.11
Staff welfare expenses	45.38	52.29
	2,293.76	3,160.21

As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

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

A) Gratuity Plan :-

Defined Benefit Plan

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

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
i) Reconciliation of defined benefit obligation		
Obligation at beginning of period	564.64	562.40
Current service cost	32.38	38.74
Interest cost	42.90	40.73
Actuarial loss/(gain) due to change in financial assumptions	-	(21.94)
Actuarial loss/(gain) due to experience	40.85	(81.10)
Past service cost	-	111.86
Benefits paid	(56.30)	(86.05)
Obligation at period end	624.47	564.64
ii) Reconciliation of plan assets		
Opening fair value of plan assets	81.27	159.14
Interest Income	6.18	11.52
Return on plan assets excluding amounts included in interest income	(2.09)	(3.35)
Benefits paid	(56.30)	(86.05)
Closing fair value of plan assets	29.06	81.26
iii) Funded status of the plan		
Present value of unfunded obligations		
Present value of funded obligations	624.47	564.64
Fair value of plan assets	29.06	81.27
Net asset / (liability) recognised in the Balance Sheet	(595.41)	(483.37)
iv) Profit and loss account for current period		
Service cost:		
Current service cost	32.38	38.74
Past service cost and loss/(gain) on curtailments and settlement	-	111.86
Net interest cost	36.72	29.21
Total included in 'Employee Benefit Expense'	69.10	179.81
Expenses deducted from the fund	-	-
Total Charge to P&L	69.10	179.81
v) Other Comprehensive Income for the current period		
Actuarial loss/(gain) due to change in financial assumptions	-	(21.94)
Actuarial loss/(gain) due to change in demographic assumption	-	-
Actuarial loss/(gain) due to experience adjustments	40.85	(81.10)
Return on plan assets excluding amounts included in interest income	2.09	3.35
Amounts recognized in Other Comprehensive Income	42.94	(99.69)

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
vi) The weighted average duration of the defined benefit obligation is 21.62 years (Previous year 23.10 years)		
Expected Cash flow based on past service liability		
Expected benefits for year 1	157.90	47.49
Expected benefits for year 2 to year 5	143.38	146.70
Expected benefits beyond year 5	1,122.64	1,349.39
vii) Sensitivity Analysis		
Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
Discount rate varied by 0.5%		
+ 0.5%	602.28	535.82
- 0.5%	648.65	595.92
Salary growth rate varied by 0.5%		
+ 0.5%	642.43	589.01
- 0.5%	607.31	541.12
viii) Investment Details		
Policy of Insurance	100%	100%
B) Leave encashment liability :-		
The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
The following table set out the status of the leave encashment plan as required under AS- 15.		
i) Reconciliation of defined benefit obligation		
Obligation at beginning of period	259.84	349.77
Current service cost	17.34	32.56
Interest cost	19.74	25.34
Actuarial loss/(gain) due to change in financial assumptions	-	(8.34)
Actuarial loss/(gain) due to change in demographic assumption	-	0.24
Actuarial loss/(gain) due to experience	(103.90)	(139.72)
Obligation at period end	193.02	259.85
ii) Funded status of the plan		
Present value of unfunded obligations	193.02	259.84
Net asset / (liability) recognised in the Balance Sheet	193.02	259.84
iii) Profit and loss account for current period		
Service cost:		
Current service cost	17.34	32.56
Net interest cost	19.74	25.34
Net Value of remeasurements on the obligation and plan assets	(103.90)	(147.82)
Total included in 'Employee Benefit Expense'	(66.82)	(89.92)
Total Charge to P&L	(66.82)	(89.92)
Actuarial loss / (Gain)		
Actuarial loss/(gain) due to change in financial assumptions	-	(8.07)
Actuarial loss/ (gain) due to experience adjustments	(103.90)	(138.79)
Amounts recognized in Other Comprehensive Income	(103.90)	(146.86)

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
iv) Expected Cash flow based on past service liability		
Expected benefits for year 1	25.93	26.71
Expected benefits for year 2 to year 5	62.72	81.37
Expected benefits beyond year 5	153.19	477.43
v) Sensitivity Analysis		
Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:		
Discount rate varied by 0.5%		
+ 0.5%	185.41	243.44
- 0.5%	201.18	265.96
Salary growth rate varied by 0.5%		
+ 0.5%	201.19	265.97
- 0.5%	185.33	243.33
C) Valuation Assumptions		
Considering the above stipulation in the case of gratuity and leave encashment, the following assumptions have been made.		
i) Discount Rate	7.65%	7.60%
ii) Salary Growth	7.00%	7.00%
iii) Expected rate of return	: This assumption is required only in case of funded plans. The level of returns would depend on the nature of assets and the prevailing economic scenario	
iv) Mortality	: Indian Assured Lives Mortality (2006-08)	
v) Withdrawals	: 5% at younger ages reducing to 1% to older ages	
vi) Retirement age	: 60 or 65 years	
vii) Leave Consumption Factors	: 2.50% at all ages (previous year 1.75%)	
viii) Method of Valuation	: Projected Unit Credit Method	

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
31. Finance costs		
i) Interest		
(a) Project specific interest expenses	27,092.57	32,800.27
(b) Other interest	970.13	2,117.67
	28,062.70	34,917.94

Particulars	(₹ in Lacs)	
	Year ended 31 st March 2019	Year ended 31 st March 2018
32. Other expenses		
Advertisement and sales promotion expenses	13.36	40.73
Commission and brokerage	33.89	5.18
Electricity charges	199.78	457.07
Insurance charges	-	3.08
Bank Charges	5.08	10.73
Other expenses	143.98	217.50
Loss on sale of fixed assets	0.60	0.56
Loss on foreign exchange fluctuation -net	-	(0.02)
Membership and subscription	2.47	10.37
Printing and stationery	29.62	42.01
Security charges	73.26	247.28
Professional fees	1,466.36	1,073.66
Rent paid (Refer Note 25.1)	0.11	42.99
Rates and taxes	36.04	36.97
Repairs and maintenance to buildings	0.38	1.65
Repairs and maintenance to other assets	18.67	4.11
Stamping and registration	77.07	413.89
Communication expenses	36.50	58.90
Postages and telegram expenses	9.39	11.92
Travelling and conveyance expenses	74.06	122.82
Remuneration to auditors	84.71	60.96
Directors remuneration, commission and sitting fees	46.00	111.69
Donations	10.00	2.25
Filing fees paid to the Registrar of Companies	2.00	0.26
Total	2,363.33	2,976.56
Above expenses includes Project related expenses	978.77	2,019.83
32.01 Assets taken on lease :		
i) General description of leasing arrangement		
(a) Leased assets : Residential and Commercial Premises.		
(b) Future lease rentals are determined on the basis of agreed terms.		
(c) At the expiry of the lease term, the Company agrees to record the new terms and condition of their agreement in relation to lease of the Premises.		
ii) Total operating lease expenses debited to the Statement of Profit and Loss ₹ 0.10 Lacs (previous year ₹ 42.99 Lacs)		
iii) Total minimum lease payments payable		
Not more than one year	-	5.72
Not less than one year and not more than five years	-	-
More than five years	-	-

(₹ in Lacs)

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
32.02 Remuneration to Auditors		
i) Audit fees	84.71	60.96
ii) Taxation matters	-	-
iii) Management consultancy	-	-
iv) Other services	-	-
	84.71	60.96
32.03 Managerial Remuneration		
Commission to Non Executive Directors	40.00	102.29
Sitting fees	6.00	9.40
	46.00	111.69

Particulars	Year ended 31 st March 2019	Year ended 31 st March 2018
33. Earnings Per Equity Share Has Been Computed As Under:		
(i) Net profit after tax as per Statement of Profit and Loss	10,579.52	9,669.49
(ii) Number of fully paid equity shares used in computing earnings per equity share		
Basic	45,40,03,986	43,40,03,986
Diluted	45,40,46,691	43,52,93,406
(iii) Basic Earnings per share		
(iv) Diluted Earnings per share	2.33	2.23
(v) Nominal value per equity share is ₹ 10/- fully paid	2.33	2.22
34. Contingent Liabilities Not Provided For		
(i) (i) Claims against the Company not acknowledged as debts (represents suits filed by the parties in the Court, and disputed by the Company)	35,188.40	35,188.40
(ii) Income-tax demands disputed by the Company (net of amounts provided)	1,60,201.57	1,62,845.85
The matters in dispute are under appeal. The demands have been paid / adjusted and will be received as refund if the matters are decided in favour of the Company		
In the opinion of the management the above claims are not sustainable / frivolous		
b) Guarantees provided by the bank	652.02	652.02
Includes Bank Gurantee of ₹ 10.00 lacs (previous year Nil) to Pollution Control Board, Lucknow on behalf of the HC Infracity Private Limited a subsidiary of the Company.		
ii) The Company has facilitated a vendor financing, setting up with IDBI bank limit upto ₹ 5,000.00 lacs. The Company has extended it's corporate guarantee to the IDBI bank.	5,000.00	5,000.00
35. CAPITAL COMMITMENT		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances and deposits)	Nil	Nil

36. RELATED PARTY DISCLOSURE

A. List of related parties with whom transactions have taken place during the current accounting year and relationship:

Enterprise significantly influenced by key management personnel

Privilege Airways Private Limited

Joint Venture

Fine Developers

Heritage Housing Development Corporation

Key management personnel

Shri Darshan D. Majmudar

Chief Financial Officer and Company Secretary

B. Transactions with related party

(₹ in Lacs)

Nature of transaction	31 st March, 2019				31 st March, 2018			
	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total	Enterprises influenced by Key Management Personnel	Joint Ventures/ Associates	Key Management Personnel	Total
Salary paid	-	-	60.00	60.00	-	-	60.00	60.00
Expenses incurred	120.70	-	-	120.70	4,955.32	-	-	4,955.32
Net Received /(Paid)	(1,113.82)	-	-	(1,113.82)	972.32	-	-	972.32
Outstanding as at year end- Due from	-	101.58	-	101.58	-	101.58	-	101.58
Outstanding as at year end- Due to	4,934.52	112.29	24.58	5,046.81	5,927.64	112.29	6.81	6,039.93

C. Disclosure in respect of material transactions with related parties during the year (included in 'B' above)

Particulars	31 st March, 2019	31 st March, 2018
Expenses		
HDIL Budget Home Private Limited	120.70	4,955.32
	120.70	4,955.32
Net Received /(Paid)		
HDIL Budget Home Private Limited	(1,113.82)	972.32
	(1,113.82)	972.32
Salary paid		
Shri Darshan D. Majmudar	60.00	60.00
	60.00	60.00
Outstandings:		
Outstanding as at year end- Due from		
Fine Developers	1.58	1.58
Heritage Housing Development Corporation	100.00	100.00
	101.58	101.58
Outstanding as at year end- Due to		
HDIL Budget Home Limited	24.58	6.81
Shri Darshan D. Majmudar	112.29	112.29
Privilege Airways Private Limited	5,046.81	6,039.93

37. RELATED PARTY TRANSACTION

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class, financial liability and equity instruments are disclosed in note no 1.1 (l) to the financial statements.

A) Financial Assets and Liabilities

The Carrying values of Financial Assets and Liabilities have been given under :

(₹ in Lacs)

31st March, 2019	Carrying amounts			
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised Cost	Total
Financial Assets				
Non Current				
Investments				
Investment in Equity instruments	-	82.75	-	82.75
Investment in Preference Shares	-	-	-	-
Other Non Current Financial Assets	-	-	846.12	846.12
Current				
Investments	-	-	864.35	864.35
Trade receivables	-	-	42,423.30	42,423.30
Cash and cash equivalents	-	-	956.97	956.97
Bank balances	-	-	12,011.75	12,011.75
Others	-	-	18,943.46	18,943.46
Financial Liabilities				
Non Current				
Borrowings	-	-	49,547.48	49,547.48
Other financial liabilities	-	-	167.54	167.54
Current				
Borrowings	-	-	1,50,142.04	1,50,142.04
Trade payables	-	-	48,896.84	48,896.84
Other financial liabilities	-	-	97,004.61	97,004.61

(₹ in Lacs)

31st March, 2018	Carrying amounts			
	Fair value through profit and loss	Fair value through Other Comprehensive Income	Amortised cost	Total
Financial Assets				
Non Current				
Investments				
Investment in Equity instruments	-	107.75	-	107.75
Investment in Preference Shares	-	-	-	-
Other Non Current Financial Assets	-	-	848.11	848.11
Current				
Investments	-	-	894.85	894.85
Trade receivables	-	-	42,785.88	42,785.88
Cash and cash equivalents	-	-	373.97	373.97
Bank balances	-	-	11,269.58	11,269.58
Others	-	-	20,408.74	20,408.74
Financial Liabilities				
Non Current				
Borrowings	-	-	73,947.34	73,947.34
Other financial liabilities	-	-	178.42	178.42
Current				
Borrowings	-	-	1,52,909.09	1,52,909.09
Trade payables	-	-	50,397.64	50,397.64
Other financial liabilities	-	-	1,15,151.32	1,15,151.32

Carrying amount of Investment, Trade Receivables, Cash and Cash Equivalent, Bank balances, Other financial Assets, Trade payables and Other financial liabilities as at 31st March, 2019 and 31st March, 2018 approximate the Fair Value because of their short term nature. Difference between carrying amount and fair values of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant each of year presented.

B) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels :

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The Company has fair valued the transaction of financial guarantee (under Other Financial Liabilities) on the basis of internal comparable of a similar transaction with an unrelated party. The fair value so determined will therefore be classified under Level 2. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair valued measurements and the cost represents estimate of fair valued within that range.

C) Financial risk management

i) Risk management framework

- a) The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the risk management committee, which is responsible for developing and monitoring the risk management policies. The Company reports regularly to the Board of Directors on its activities.
- b) The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which the employees understand their roles and obligations.
- c) The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

ii) The Company has exposure to the following risks from the financial instruments:

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, investments in debt securities, loans given to related parties and project deposits.

The carrying amount of financial assets represents the maximum credit exposure.

• Trade Receivables

Customer credit risk is managed by requiring customers to pay advances through progress billings before transfer of ownership, therefore substantially eliminating the Company's Credit risk in this respect.

The Company's credit risk with regard to trade receivables has a high degree of risk diversification, due to the large number of projects of vary in sizes and types with numerous different customer categories in a large number of geographical markets.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does not have any significant concentration of credit risk.

The ageing of trade receivables is as follows:

Particulars	(₹ in Lacs)	
	31 st March 2019	31 st March 2018
Trade Receivables (Unsecured)		
Over six months	29,924.95	17,972.40
Less than six months	12,498.35	24,813.49
	42,423.30	42,785.89

The amounts reflected in the table above are not impaired as on the reporting date.

- **Investment in Debt securities, Loans to Related Parties and Deposits**

The Company has investments in non-convertible preference shares, loans to related parties and project deposits. Based on prior experience and assessments performed by the management such financial Assets are not impaired as on the reporting date.

- **Cash and Bank Balances**

Credit risk from cash and bank balances is managed by the Company's treasury department in accordance with the Company's policy.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

- **Exposure to Liquidity risk**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2019

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	1,50,142.04	49,547.48	-
Trade payables	48,896.84	-	-
Other financial liabilities	68,732.92	-	2,506.28

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31st March, 2018

	Due within 12 months	Due in 1 to 3 year	More than 3 years
Financial Liabilities			
Borrowings	2,01,058.57	43,299.65	-
Trade payables	50,397.64	-	-
Other financial liabilities	94,866.34	-	2,783.18

c) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rate and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

• **Currency risk**

Currency risk is not material, as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

• **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Company's interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable, competitive, cost of funding.

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to the management is as follows :

(₹ in Lacs)

Particulars	Year Ended 31 st March 2019	Year Ended 31 st March 2018
Financial Assets		
Fixed rate instruments		
Bank Deposits		
- Current	12,011.75	11,269.58
- Non Current	807.95	807.95
Financial Liabilities		
Fixed rate instruments		
Borrowing - Non Convertible Debentures	25,765.42	17,501.78
Variable rate instruments		
Borrowing		
- From Schedule Bank	1,33,183.24	1,75,191.09
- From Financial institutions	66,460.39	51,645.34

Fair value sensitivity analysis for fixed rate instruments

Fixed rate financial assets / liabilities are carried out at amortised cost. Therefore they are not subject to interest rate risk since, neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by the amounts indicated in the table below. Given that the Company capitalises interest to the cost of inventory to the extent permissible, the amounts indicated below may have an impact on reported profits over the life cycle of projects to which such interest is capitalised. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposure outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	100 BP Increase	100 BP Decrease
31st March, 2019		
Financial Liabilities		
Variable rate instruments		
Borrowing	(1,314.53)	1,314.53
31st March, 2018		
Financial Liabilities		
Variable rate instruments		
Borrowing	(1,608.25)	1,608.25

38. Ind AS 115 Revenue From Contracts With Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

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

The company has been following Project Completion Method, i.e., recognition of revenue on basis/ possession given to customers on all projects outstanding as on 1 April 2018 and during the year 2018-19. Therefore, there is no significant impact of introduction of this standard on the company's financial statements.

39. CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

40. POST REPORTING EVENTS:

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

41. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements for the year ended 31st March, 2019 were approved by the Board of Directors on 30th May, 2019.

42. The management and authorities have the power to amend the Financial Statements in accordance with Section 130 and 131 of The Companies Act, 2013.
43. Guruashish Construction Private Limited, a wholly owned Subsidiary Company has been admitted under Insolvency & Bankruptcy Code 2016 by National Company Law Tribunal. Resolution plan as approved by the committee of Creditors is pending approval by National Company Law Tribunal due to cancellation of Development Agreement by MHADA. The Company has filed appeal in Hon'ble Supreme Court against the Order of NCLAT. Pending Hon'ble Supreme Court decision, the Subsidiary Company has been treated as a going concern.
44. The Income Tax Department had passed an assessment order for the financial year 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15 and 2015-16. The Company is in appeal before CIT appeal for the financial year 2018-09, 2009-10, 2010-11, 2012-13 and 2015-16. The Company is in appeal before ITAT (Mumbai) for the F.Y. 2010-11, 2011-12, 2013-14 and 2014-15.
45. The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

As per our Report of even date attached For and on behalf of the Board of Directors

For Rajeswari & Associates

Chartered Accountants,
Firm Registration Number: 123005W

CA. SVN Rajeswari

Proprietor
Membership No. 112940

Place : Mumbai
Date: 30th May, 2019

Rakesh Kumar Wadhawan

Executive Chairman
DIN : 00028573

Lalit Mohan Mehta

Director
DIN : 00458975

Darshan Majmudar

Chief Financial Officer and
Company Secretary

Sarang Wadhawan

Vice Chairman & Managing Director
DIN : 00028608

Hazari Lal

Director
DIN : 06696100

Raj Kumar Aggarwal

Director
DIN : 02034914

Sandhya Baliga

Director
DIN : 07015987

FORM AOC-1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries

Year ended 31/03/2019

Particulars	HDIL	Privilege Power and Infrastructure Private Limited	BKC Developers Private Limited	Guruashish Constructions Private Limited	Mazda Estate Private Limited	Lashkaria Construction Private Limited
Paid-up share capital	45,400.40	16,105.00	10.00	1,700.00	41.00	1,000.00
Reserves and surplus	11,26,171.56	22,389.95	(62.93)	55,847.94	(3.84)	429.09
Total assets	16,08,426.02	1,59,569.62	6,616.52	1,16,911.91	42.56	7,014.01
Total liabilities	4,36,854.05	1,21,074.67	6,669.45	59,363.97	5.40	5,584.92
Investments (excluding investments in subsidiaries)	158.47	25.85	-	-	-	1,544.00
Turnover (including other income)	60,120.43	13,460.41	-	0.25	-	0.03
Profit before tax	11,787.63	1,282.34	(0.93)	(0.86)	(0.75)	(2.82)
Provision for Current & Deferred tax	(2,169.51)	(250.20)	-	(0.03)	-	(0.86)
Profit after tax	9,618.12	1,032.14	(0.93)	(0.89)	(0.75)	(3.67)
Other Comprehensive income	(46.00)	(1.25)	-	-	-	-
Total comprehensive income	9,572.12	1,030.89	(0.93)	(0.89)	(0.75)	(3.68)
Proposed dividend	-	-	-	-	-	-
% of Shareholding	-	100.00%	98.50%	100.00%	100.00%	69.00%

As per our Report of even date attached

For and on behalf of the Board of Directors

For Rajeswari & Associates

Chartered Accountants,
Firm Registration Number: 123005W

Rakesh Kumar Wadhawan

Executive Chairman
DIN : 00028573

Sarang Wadhawan

Vice Chairman & Managing Director
DIN : 00028608

Raj Kumar Aggarwal

Director
DIN : 02034914

CA. SVN Rajeswari

Proprietor
Membership No. 112940

Lalit Mohan Mehta

Director
DIN : 00458975

Sandhya Baliga

Director
DIN : 07015987

Hazari Lal

Director
DIN : 06696100

Place : Mumbai

Date : 30th May, 2019

Darshan Majmudar

Chief Financial Officer and Company Secretary



HOUSING DEVELOPMENT AND INFRASTRUCTURE LIMITED

CIN: L70100MH1996PLC101379

9-01, HDIL Towers, Anant Kanekar Marg, Bandra (E), Mumbai – 400 051

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